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Information for Businesses and Individuals

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1995

Index to Revenue Canada Services

Please note

Information in this publication is up to date as of October 1994.

This document uses plain language to give readers an overview of Revenue Canada services. It is not a legal document.

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Printed in Canada

Foreword

This publication provides a comprehensive outline of services available from Revenue Canada.

Canadians have the right to expect quality service from Revenue Canada, whether in filing a tax return, claiming a credit, clearing customs, importing or exporting goods, or collecting and remitting the goods and services tax. To this end, the Department is striving to make these tasks as easy and as convenient as possible.

For example, the Department now provides simpler forms, easy-to-complete returns, and easier access to assistance and information. In addition, Revenue Canada has introduced initiatives aimed at making the process of clearing customs as easy as possible, and continues to search for and implement new and improved approaches to the way it delivers services to the public.

The Department is also working with other federal government departments and agencies to better serve Canadians. Business clients and individuals can get information and assistance regarding income tax, excise tax, GST, international trade, or customs matters from any of 133 Revenue Canada offices across Canada. Furthermore, new "business windows" in some of these offices can now offer business clients one-stop shopping for many of their needs.

Revenue Canada wants to hear from its individual and corporate clients. Those wishing to offer their views or suggestions can write to:

Communications Branch Revenue Canada Ottawa ON K1A 0L8

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About Revenue Canada

The Department's mandate

Revenue Canada's responsibilities include:

- revenue collection;
- border services:
- · trade policy administration; and
- income redistribution.

As a result of these responsibilities, Revenue Canada works on behalf of the federal, provincial, and territorial governments as well as individuals and businesses to support Canada's social and economic progress.

The Department oversees various tax credit programs and collects federal and provincial income taxes, the goods and services tax (GST), Canada Pension Plan contributions, Unemployment Insurance premiums, and customs and excise duties and tariffs. As well, it collects excise taxes on gasoline and tobacco products. In addition, for provinces having agreements with the federal government, Revenue Canada collects provincial sales tax, tobacco taxes, and liquor markups and levies on non-commercial importations.

The Department also administers the border aspect of the Canada-U.S. Free Trade Agreement (FTA), the North American Free Trade Agreement (NAFTA), the General Agreement on Tariffs and Trade (GATT), Canada's trade laws, and Canada's international tax agreements with other countries. Finally, Revenue Canada works in partnership with law enforcement agencies and other federal departments to protect Canadian society against the illegal movement of goods and people across Canada's borders.

Revenue Canada strives continually to deliver its programs and services effectively, fairly, and at the lowest cost possible. In this regard, the Department aims to:

- treat all its clients fairly and equally;
- protect the confidentiality of client information;
- provide its services in the most efficient and effective way possible;
- maintain a level playing field for all its clients through audits and responsible enforcement; and
- minimize the burden and cost of compliance associated with laws the Department administers.

Note: The Department of Finance introduces tax legislation, and Revenue Canada administers it. For more information on tax policy, clients should contact Finance Canada. The telephone numbers are listed under "Finance" in the Government of Canada listings of the telephone book.

Privacy and confidentiality

Revenue Canada guarantees to keep its clients' personal and financial information confidential. This information cannot be given to anyone outside Revenue Canada unless authorized either by the client or by law.

To ensure that clients' personal information remains confidential, and that information is not released to unauthorized individuals, the Department follows strict procedures. These include requesting adequate identification if individuals visit a Revenue Canada office, and asking specific questions about their personal or corporate file.

The Department releases information to tax practitioners and other representatives, including Members of Parliament, only with the client's written authorization. For this purpose, the Department has designed Form T1013, Consent Form, which contains important information that must be submitted before confidential income tax information can be released. As well, Form GST 153, Third Party Authorization Form, is used for the release of GST-related information.

These forms are not the only accepted method of designating a representative. Any letter of authorization should contain the following information:

- the client's name, address, and social insurance number;
- the name of the individual or firm to whom information is to be released;
- the taxation year or years to which the authorization relates; and
- the taxpayer's signature.

In the case of corporations or trust accounts, additional information may be required. Please refer to the *Consent Form* for further details.

In addition, if someone other than the client makes telephone enquiries about an income tax or GST return, a letter of authorization has to be on file at the Revenue Canada office before any questions can be answered.

Voluntary compliance

Revenue Canada has designed its programs and services to encourage voluntary compliance – the cornerstone of Canada's self-assessment system. The Department balances service to the public with a comprehensive program of responsible enforcement to maintain public confidence in the integrity of the system.

The Department encourages voluntary compliance by:

- providing information and assistance to clients to ensure they understand their rights and obligations, and are able to comply with the law;
- consulting continually with the private sector, individuals, and organizations on ways to streamline procedures to make compliance as simple as possible;
- identifying areas of non-compliance and administering a full range of compliance programs to ensure that everyone, including non-residents, pays a fair share of tax no more, no less; and
- recommending changes in legislation to support the Government's commitment to ensuring the fairness of the system for all Canadians.

In addition, Revenue Canada encourages taxpayers to voluntarily correct any omissions in their past dealings with the Department. Taxpayers who have never filed a tax return or a GST return can file these returns voluntarily. As well, taxpayers who have sent Revenue Canada an incomplete return can provide the missing information. Clients involved in the international movement of goods can come forward and correct any deficiencies in their reporting to customs.

Taxpayers making voluntary disclosures will have to pay only the tax owing and the interest and, in the case of the GST, a 6% penalty for failure to remit GST. Revenue Canada will not undertake any prosecution or impose any other civil penalties on any amount included in such voluntary disclosures. However, voluntary disclosures will only benefit the taxpayers if they come forward before the Department starts any enforcement action.

When taxpayers cannot pay the balance owing in full, Revenue Canada will attempt to work out a mutually satisfactory payment arrangement with the taxpayers based on their ability to pay.

The Department encourages clients who are experiencing financial hardship to contact their local Revenue Canada office to make payment arrangements or discuss changes to existing payment arrangements.

The Refund Set-Off Program

The purpose of the Refund Set-Off Program is to demonstrate the Government's commitment to fiscal responsibility by ensuring that individuals or corporations who owe money to the Crown do not receive further money from the Crown until their debts are fully satisfied. Under this program, income tax refunds are "set off" to debts held by departments participating in the program. Any department may participate in this program; however, the most common types of Crown debts collected in this

manner are defaulted student loans, defaulted immigration loans, overpayments of Unemployment Insurance benefits, overpayments of training allowances, and overpayments under the former Family Allowance Program. In addition, Revenue Canada complies with legislation which allows for the garnishment of tax refunds for child support payments in arrears.

Streamlining for efficiency

The Department has worked closely with individuals, businesses, and other Government departments to find new ways of streamlining operations and reducing costs. At the same time, the Department is proceeding with a comprehensive administrative consolidation initiative. Through this initiative, the Department is examining departmental policies, programs, systems, and structures with a view to reducing delays and duplication, and improving the quality and efficiency of client services and enforcement programs.

Through administrative consolidation, Revenue Canada has realigned its regional structure. The Department now has six regions: Atlantic, Quebec, Northern Ontario, Southern Ontario, Prairie, and Pacific.

In addition, the Department has:

- introduced one "business number" for the four main Revenue Canada accounts; and
- co-ordinated audits and revenue collection across its various programs.

One business number for Revenue Canada accounts

In 1994, Revenue Canada tested the use of a single business registration number in eight cities: Sydney, Nova Scotia; Moncton, New Brunswick; Kingston, St. Catharines, and North Bay, Ontario; Regina, Saskatchewan; Lethbridge, Alberta; and Victoria, British Columbia. This was the first step towards an integrated business accounting system in which businesses can use just one number, now called simply the Business Number (BN), in dealing with the Department for the four major accounts that affect most businesses – corporate income tax, import/export, payroll deductions, and the goods and services tax (GST). The single Business Number simplifies registration, account changes, and enquiries.

The BN will be phased in nationally starting in January 1995, and existing businesses have until January 1997 to convert to the new system. Information is available from Revenue Canada offices and, in particular, from access points called "business windows" which opened in early 1995 in several offices (see the section on "Where to go for services" on page 12). In addition, existing businesses will receive Business Number conversion kits in the mail. They can convert by mail, or by calling toll-free 1-800-959-8297 (for service in English), or 1-800-959-8299 (for service in French). A toll-free fax line is also available at 1-800-959-8280.

Co-ordinated audits and revenue collection

Revenue Canada is also developing a co-ordinated approach to audit. For many small businesses, it may be more efficient to conduct a GST and tax audit simultaneously, resulting in savings of time and reduced costs for the business, and greater effectiveness for Revenue Canada.

A co-ordinated collection program for all Revenue Canada accounts is also being developed. This will allow the client or practitioner to deal with just one departmental official. The result is more efficient service that is responsive to individual business circumstances.

Where to go for services

Revenue Canada is open, accessible, and committed to responding to the needs of its clients. The Department therefore provides a vast array of services to help its clients benefit from its programs and fulfil their responsibilities as taxpayers, as businesses, as exporters or importers, or when they are returning home from abroad.

Canadians can obtain information, pick up publications, make payments, acquire forms, and conduct other types of business at any of 133 Revenue Canada offices across Canada. As well, they can get some of these services at Government of Canada InfoCentres.

If clients need specific information about particular programs, they should contact the specialized Revenue Canada district or regional offices listed below. Clients can find the telephone numbers of these offices in the Government of Canada section of their telephone book. Some numbers are also listed in the appendices of this publication.

Revenue Canada offices

Customs regional and district offices

Clients can get customs forms, departmental publications, and information relating to importing and exporting goods from any of the regional, district, or other customs offices conveniently located across Canada. Enquiries can be made in writing, by phone, or in person. Designated employees handle enquiries and provide expert assistance on customs duty rates, accounting documentation, assessing the value of imported goods, methods of payment, import quotas and permits, customs assessments, refunds, and customs seizure appeals.

Excise/GST offices

• Excise/GST district offices. Excise/GST forms, publications, and information are available at all excise/GST district offices. In keeping with the Department's efforts to increase accessibility of information to clients, excise/GST forms, publications, and information on the most commonly asked questions are also available at Revenue Canada's income tax and customs district offices.

Enquiries can be made in writing, by phone, or in person at the district offices. District office Interpretation and Services employees provide technical details on applying the GST, as well as information on registration, assessments, refunds, or remittances. Registrants can also obtain written rulings and interpretations of the GST legislation from their district offices.

- **GST processing centre.** The Summerside Tax Centre in Summerside, P.E.I., processes **GST** returns.
- **GST in the province of Quebec.** As of July 1, 1992, Quebec assumed responsibility for administering the GST on behalf of the federal government. The single administration of the GST and the Quebec sales tax by the ministère du Revenu du Québec (MRQ) allows individuals and businesses in Quebec to register, file returns, and obtain information on both the GST and the Quebec sales tax from MRQ district offices.

Revenue Canada continues to provide services and to administer other excise taxes and duties in the province of Quebec, as well as to maintain close ties with the MRQ on administering the GST from the following two regional offices:

Québec: Regional Excise and

GST Liaison Office (REGLO)

2nd floor

325 Marais Street

Ville Vanier QC, G1M 3R3

(418) 648-5100

Montréal: Regional Excise and

GST Liaison Office (REGLO)

8th floor

400 Place d'Youville Montréal OC H2Y 2C2

(514) 283-6644

REGLO offices can also be reached toll-free from anywhere else in the province of Quebec at 1-800-667-3232.

Income tax offices

- **District taxation offices.** The most convenient points of contact for taxfilers are the district taxation offices across the country. Employees at the district offices provide information on the filing and status of returns and refunds, explain assessment notices, answer tax questions by telephone and over the counter, and handle GST credit and Child Tax Benefit enquiries. From their district office, clients can get the forms and publications they need to complete their income tax returns. Clients can also present any form of Revenue Canada remittance for processing to their account.
- Taxation centres. Staff members at the Department's eight taxation centres not only process and store income tax returns but also provide a complete range of client services similar to those offered at the district taxation offices. Staff send assessment notices, issue requests for refund cheques to Public Works and Government Services Canada, and provide written explanations of tax assessments.

Taxation centre staff also answer enquiries about assessment notices, and receive instalment payments from individuals, corporations, and employers that are remitted either directly or through financial institutions.

A clearing house has been set up in the Winnipeg Taxation Centre to process the *Combined Annual Business Return*. This form allows people who meet certain conditions to file their GST and income tax returns together. They can then make just one remittance and also offset tax owing on one return with a refund due from the other. (For more information, see page 62.)

• International Taxation Office. Revenue Canada's International Taxation Office (ITO), located in Ottawa, serves the special needs of clients filing income tax returns or information returns as non-residents. ITO also serves individuals who are factual residents, deemed residents, newcomers to Canada, and emigrants.

Staff at ITO carry out the annual processing of non-resident individual, corporate, and trust tax returns, respond to written client enquiries, process requests for adjustments, and provide telephone and counter enquiry services. The office also maintains the accounts of those individuals and institutions that issue payments to non-residents of Canada.

Non-resident clients can reach ITO by calling these numbers:

Ottawa area

(613) 952-3741

• Other parts of Canada and the U.S.

1-800-267-5177

• Outside Canada and the U.S. (collect calls accepted)

(613) 952-3741

Increased accessibility to services and information

- Business windows. Certain Revenue Canada's offices are offering a special one-stop service, called the business window, where businesses can:
 - register for or convert to their single Business Number (BN) for any or all of the four Revenue Canada accounts covered;
 - use their BN to enquire about their refund status, account balances, payments, and notices;
 - use their BN to update their accounts, open new accounts, or make payments;
 - obtain forms, publications, and general information on all business programs;
 - be referred for more specialized information; and
 - make payments for any of Revenue Canada's business programs.
- Electronic Document Distribution System (EDDS). Revenue Canada's clients can get electronic copies of many of the Department's forms and publications from the Electronic Document Distribution System (EDDS) a bulletin board that is available through telecommunication lines.

EDDS carries all the Department's income tax guides, forms, information circulars, interpretation bulletins, advance tax rulings, and pamphlets; all news releases; some GST publications and forms; and some excise and customs publications and forms. Documents are often available on EDDS up to six weeks ahead of distribution of printed copies. Clients with access to EDDS can then redistribute Revenue Canada forms and information electronically, or reformat the information for their own publications without having to rekey it.

Access to EDDS is through The Net, a nation-wide public network operated by Mediatel, a Bell Canada subsidiary. Clients who would like information on user fees and how to subscribe can call Mediatel at 1-800-267-8480.

Government of Canada offices

Canada Business Service Centres

Revenue Canada is also an active partner in the Canada Business Service Centre initiative, which is designed to assist business clients through a single point of contact. These centres offer businesses access to the information and programs of various federal departments, including Revenue Canada, Industry Canada, and economic development agencies such as the Atlantic Canada Opportunities Agency, Western Economic Diversification Canada, and the Federal Office of Regional Development in Quebec. Other partners include provincial and non-government agencies.

There are 10 Canada Business Service Centres operating across the country. They are in Charlottetown, Edmonton, Fredericton, Halifax, Montréal, Saskatoon, St. John's, Toronto, Vancouver, and Winnipeg.

Government of Canada InfoCentres

Revenue Canada is working together with other federal government departments and agencies to provide improved service to Canadians in smaller communities by offering a variety of government information and services from a single location. Generally, people can obtain basic program information, as well as brochures and guides, from more than 250 centres across the country.

These new sites are called Government of Canada InfoCentres, most of which are in Canada Employment Centres. Revenue Canada hosts InfoCentres in Belleville, Charlottetown, Halifax, Hamilton, Saint John, Sudbury, Sydney, Toronto, Vancouver, and Winnipeg. Appendix F lists all the communities that have InfoCentres.

Chapter 1. Income Taxes

Canada's system of taxation for income taxes is based on the principle of self-assessment. The Department recognizes that Canadians can meet their obligations only if they understand the law. Therefore, Revenue Canada provides the following information on programs and services to help taxfilers fulfil their responsibilities regarding income taxes.

What's new for income taxes?

Automated tax-table information service

The Department now offers an automated telephone tax-table service for clients who are blind or visually impaired. These clients can use a push-button phone that has tone (not pulse) signalling and Touch-ToneTM service to find out how much tax they owe (based on their province of residence, their non-refundable tax credits, and their taxable income). This service is available 24 hours a day, 7 days a week. The toll-free number is **1-800-561-8550**. (For information on other services for clients who are blind or visually impaired, see the section called "Client assistance for income taxes" that starts on page 20.)

Capital gains exemption eliminated

Under proposed legislation, changes to the \$100,000 capital gains exemption may affect those who own capital property or eligible capital property.

Capital property includes:

- cottages;
- stocks and bonds;
- mutual funds;
- rental properties;
- land;
- jewellery; and
- art, coin, and stamp collections.

Eligible capital property includes:

- goodwill;
- · farm quotas; and
- taxi and fishing licenses.

When people sell capital property for more than what it cost them, the result is usually a capital gain. They have to report this gain on their income tax return in the year they sell the property.

The \$100,000 lifetime capital gains exemption is no longer available for property disposed of after February 22, 1994. However, taxpayers who owned capital property or eligible capital property up to and including February 22, 1994, and who have not already used all their exemption, can make a special election. By filing a prescribed form, preferably with their return, they can report a capital gain (even though they did not actually sell their property), and claim a capital gains exemption. In most cases, this special election is only available for the 1994 tax year.

Revenue Canada has published two packages that contain more details about the legislation, the information needed to file the election, and the implications for taxpayers. These packages, one for the general public and one targeted specifically to seniors who use the T1S-A simplified return and who own certain types of property, are available from any Revenue Canada income tax office. See Appendix C for the addresses and telephone numbers of the income tax offices.

Changes to the age tax credit

Starting in 1994, seniors whose net income (from all sources) is more than \$25,921 will no longer be entitled to the full amount of the age tax credit on their income tax returns. Taxpayers have to be 65 or older by December 31 of the particular taxation year to be eligible for this credit.

For 1994, seniors with net incomes of more than \$49,134 will be able to claim one-half of the credit, or \$1,741. However, in 1995, seniors who have net incomes of more than about \$50,000 will no longer be able to claim the age credit.

Some seniors affected by the change may find they will owe tax at the end of the year. To avoid this, they may want to call their Income Security Programs office (the number is listed under "Human Resources Development Canada" in the Government of Canada section of the telephone book) or their pension plan administrators to ask them to withhold more tax at source. The Department has informed all employers of the changes, and these employers will withhold additional tax at source if they receive a request from their employees.

Seniors who pay their tax by instalments and who use the current-year method to calculate their payments may also end up owing tax at the end of the year. Revenue Canada will advise these seniors of this situation on their August instalment reminder so they can make arrangements with their local income tax office to adjust their payments. This number is listed under "Revenue Canada" in the Government of Canada section in the telephone book.

Changes to the charitable donations tax credit

For the 1994 and following taxation years, individuals can claim a tax credit of 17% for the first \$200 (formerly the first \$250) of charitable donations claimed for the year, and 29% of additional donations. However, the total amount that individuals can claim for a year remains at not more than 20% of their net income.

Changes to instalment payments

Legislation that came into effect in June 1994 changed the system for paying tax by instalments, beginning with the September instalment. Taxpayers who owe less than \$2,000 a year (\$1,200 for Quebec residents) will no longer have to make quarterly instalment payments. Taxpayers are only required to make quarterly payments if the difference between total tax payable and amounts withheld at source, plus credits, is greater than \$2,000 in both the current year and either of the two preceding years. Residents of Quebec are only required to make instalment payments if federal tax payable minus Quebec abatement and credits exceeds federal tax deducted at source by more than \$1,200.

Clients who are unsure of their status should contact their local Revenue Canada income tax office.

Changes to the Tax Information Phone Service (T.I.P.S.)

The identification information clients have to provide has changed. For T.I.P.S. Telerefund, GSTC, and RRSP information, they will be asked to provide their social insurance number, month and year of birth, and the total income from line 150 of their tax return. If they call before May 1, they will need the amount they entered on line 150 of their 1993 return. If they call after April 30, they will need the amount they entered on line 150 of their 1994 return. (See the section called "Tax Information Phone Service (T.I.P.S.)" on page 22.)

Employer-provided life insurance now a taxable benefit

Formerly, the premiums for the first \$25,000 of coverage under employer-provided group term life insurance policies were not taxable. Starting July 1, 1994, the full value of group term life insurance benefits for employees and former employees is treated as a taxable benefit.

Employers had to make payroll deductions from employees for this benefit starting July 1, 1994.

Home Buyers' Plan extended

The Home Buyers' Plan was originally introduced as a temporary measure and was scheduled to end on March 1, 1994. The Government now proposes to extend the plan indefinitely but restrict it after March 1, 1994, to individuals who are considered first-time home buyers.

RRSP schedule added to income tax package

The General income tax package now contains Schedule 7 which taxpayers will use to determine their unclaimed RRSP contributions and amounts transferred to an RRSP.

Client assistance for income taxes

Enquiry services

In the income tax package the Department mails each year, clients receive the telephone numbers of their district office and taxation centre directors and assistant directors, and a separate Problem Resolution Program phone number, as well as the general and T.I.P.S. enquiries lines. These numbers make it easier for clients to contact staff for help.

All correspondence from income tax offices includes telephone and facsimile numbers. This allows clients to directly contact the person who is dealing with their account to obtain more information, if necessary.

The income tax offices (listed in Appendix C) also offer counter services to Revenue Canada's clients during regular business hours (see the following section called "Enhanced services for the income tax filing season").

Enhanced services for the income tax filing season

- Counter services. Income tax offices also provide enhanced counter services during the filing season by offering information sessions for target groups usually seniors, people with employment income, and people filing only for the GST credit.
- Extended hours. During the filing season, every income tax office offers extended evening hours for its bilingual public enquiries telephone service. This annual service makes it easier and more convenient for clients to get the help they need to complete and file their returns.
 - Since the dates for the extended hours change each year, individuals who want to use this service should check their *General Income Tax Guide* before they phone.
- Tax clinics. Every year during the income tax filing season, the Department opens tax clinics in various communities. These clinics are located in convenient places such as shopping malls and public buildings, and are therefore easily accessible to clients who need information and advice about their tax returns. They may also be set up in Government of Canada InfoCentres, which are often located in the Canada Employment Centres in some smaller communities (see Appendix F for a list of these communities). These clinics have a variety of forms, guides, and pamphlets that clients may need.

Revenue Canada's income tax offices inform people in their area about the tax clinics through means such as:

- advertising in local newspapers;
- displaying posters near the tax clinic location;
- mailing notices to taxpayers; or
- making announcements on radio and on community cable channels.

For the convenience of clients in Quebec whose provincial income taxes are administered by the Quebec government, the Department operates clinics jointly with the ministère du Revenu du Québec.

Tax clinics can be open from as little as one day to two-and-a-half months in the period leading up to the April 30 filing deadline.

Help for clients who are deaf

Clients who are deaf and have access to a Telecommunications Device for the Deaf (TDD) can get tax information by calling the toll-free, bilingual, TDD enquiry service at **1-800-665-0354**.

A TDD is a device that allows the user to transmit a written message over the telephone. If a client attempts to access the Department's TDD line using a regular telephone, the call cannot go through.

The TDD service is offered all year. For clients residing in the western provinces, the line operates between 8:15 a.m. and 5:00 p.m. Central Time. For clients in Newfoundland, the line operates between 8:15 a.m. and 5:00 p.m. Atlantic Time. For all other clients, the line operates between 8:15 a.m. and 5:00 p.m. local time. The service's hours are extended during the filing season, and follow the same schedule as the extended public enquiries telephone service.

Help for clients who are blind or visually impaired

Revenue Canada offers several services to help individuals who are blind or visually impaired. Through these services, individuals can get help to complete their tax returns themselves, or can have their return partially or completely prepared for them.

To use these services, individuals with visual impairments can simply visit any income tax office where one of the staff members will be available to assist them.

There is also a Community Volunteer Income Tax Program, where volunteers trained by the Department help to prepare tax returns. (See page 23 for more information.)

For those who are interested in completing their forms themselves, the Department provides reference material, such as guides, in several alternative formats, including braille, large print, audio cassette, and computer diskette. It also now offers an automated telephone tax-table service at **1-800-561-8550** (see "What's new for income taxes?" on page 17 for more details).

In addition, individuals can file large-print returns, rather than having to have their information transferred from these returns to the regular return.

Clients can call a toll-free, bilingual service for information about these services and to place orders for documents in alternative formats, including the large-print version of the return. This telephone line is available weekdays between 8:15 a.m. and 5:00 p.m. Eastern Time. The number is **1-800-267-1267**.

Tax Information Phone Service (T.I.P.S.)

T.I.P.S. is a computerized, voice-response service. By using this service, clients can get information about selected tax topics and determine the status of their income tax refund, their RRSP deduction limit, or whether they are eligible for the GST credit.

Clients can use T.I.P.S. from any push-button phone that has tone (not pulse) signalling and Touch-ToneTM service. If clients do not have access to a Touch-ToneTM phone, they can get the same information from their Revenue Canada income tax office. The numbers are in the Government of Canada section in the telephone book, or in the income tax package.

The following services are available on the T.I.P.S. menu:

Telerefund

T.I.P.S. Telerefund lets clients know if their current-year return has been processed, and when they can expect to receive their refund cheque. When clients phone, they should be ready to provide their social insurance number, their month and year of birth, and the total income they entered on line 150 of their income tax return.

This service is available from mid-March until September.

• GSTC

The T.I.P.S. GST credit service tells clients if they are eligible for the GST credit and the date they can expect to receive their cheque. To get information, clients have to provide their social insurance number, their month and year of birth, and the total income they entered on line 150 of their income tax return.

This service is available for about two weeks before and three weeks after each GST credit cheque is mailed.

RRSP

The T.I.P.S. RRSP service lets clients know the amount of RRSP contributions they can deduct on their current-year tax return. To get their RRSP deduction limit, clients will have to provide their social insurance number, their month and year of birth, and the total income they entered on line 150 of their income tax return.

This service is available from mid-September until May.

Bulletin Board

Bulletin Board contains recent information that may be of interest to clients. This service is available 24 hours a day, 7 days a week, year-round.

Info-Tax

Info-Tax gives recorded information on a number of tax topics such as tax changes, client services, and new procedures.

Info-Tax is available 24 hours a day, 7 days a week, from January until May.

Other services for individual clients

Child Tax Benefit Program

The Child Tax Benefit Program makes tax-free monthly payments to eligible families to help with the cost of raising children under the age of 18. The Child Tax Benefit payments are targeted according to income and are gradually phased out at higher income levels. Payments go to families with low and moderate incomes, with an additional supplement for low-income working families.

The Child Tax Benefit is calculated using information from income tax returns filed by the parent who is the primary caregiver of a child, and the spouse, if any, who lives with that person. Each July, the Department recalculates benefits to reflect the changes in family income reported on the most recent income tax returns. Parents have to file tax returns to continue to receive benefits. They should be sure to complete the marital status area of their return to ensure they receive the proper benefit amount.

Revenue Canada maintains a national toll-free number for individuals who have questions about the program or their own entitlement to benefits. The number is **1-800-387-1193**.

Community Volunteer Income Tax Program

During each filing season, over 12,000 volunteers help more than 200,000 taxfilers prepare their income tax returns.

Through its income tax offices across the country, Revenue Canada provides special training sessions to representatives of community organizations and other interested individuals on how to complete basic tax returns. As well, the Association of Taxation Volunteers acts as a link between the Department and the community.

Revenue Canada also runs a joint volunteer program with the ministère du Revenu du Québec to make it easier for Quebec taxfilers to complete their two tax returns: the federal one and the provincial one.

People who want to become volunteers should contact their local income tax office. Addresses and telephone numbers for these offices are in Appendix C.

Direct deposit program

All individual taxfilers can choose to have their income tax refund, their goods and services tax credit (GSTC), and their Child Tax Benefit (CTB) directly deposited to their bank account at any financial institution in Canada.

Direct deposit has a number of advantages over the traditional method of payment, including offering clients a safe, convenient, dependable, time-saving method of receiving payments. Direct deposit also saves the Government money through reduced fees and postage.

Electronic filing (EFILE)

Electronic filing of tax returns is an automated system in which individual income tax return information is electronically delivered to Revenue Canada via communication lines.



The advantages of using EFILE include:

- fast processing of returns;
- fewer errors; and
- reduced paper use.

EFILE is used by people who complete their own returns, or by those individuals who use the services of a tax professional. In either case, however, taxpayers have to use the services of an accountant, tax preparer, employer, or others who display the EFILE symbol to send their tax return data by computer to Revenue Canada. An encryption device must be used to ensure that tax information remains confidential.

Clients of the International Taxation Office, such as non-residents, cannot use the EFILE system.

Most electronic filers provide this service for a modest fee. In many cases, tax professionals and accountants will include the cost of filing electronically with the cost of preparing a tax return. Information about using this service is available at any Revenue Canada income tax office (Appendix C has addresses and telephone numbers).

Goods and services tax (GST) credit application

To apply for the GST credit, Canadians can simply complete an income tax return, including the area that shows their marital status, and mail it to the Department. They should refer to "Step 2" in the *General Income Tax Guide* for details, or call their nearest income tax office.

Instalment payments

Instalments are payments of tax made directly to the Department. People who receive income that has little or no tax withheld at source may have a large amount of tax to pay when they file their return. If their net tax owing is greater than \$2,000 (\$1,200 in Quebec) in 1995 and either 1994 or 1993, they will be required to make instalment payments of tax in 1995. The Department issues instalment reminders, before the due date of each payment, to people who may be required to make instalment payments.

There are three options for calculating the payment amounts that should be made:

- **No calculation.** Taxfilers pay the amount shown on the instalment reminder that the Department sends to them.
- **Prior year.** Taxfilers pay one-quarter of the prior year's taxes and any Canada Pension Plan (CPP) contribution payable on March 15, June 15, September 15, and December 15.
- Current year. Taxfilers pay one-quarter of the current year's estimated taxes and any CPP payable on March 15, June 15, September 15, and December 15.

Clients who choose the no-calculation option no longer have to calculate the amount of their quarterly tax payments. People who pay the amount that appears on each reminder on time will not be charged any instalment interest or penalties, even if the payments are less than the total amount of tax they owe at the end of the year.

Personalized returns

In addition to the usual General income tax package, the Department produces simplified income tax packages which take into account an individual's tax situation based on past dealings with Revenue Canada. It includes a worksheet for individuals who want to calculate the amount of their refund or balance owing.

The Department mails this package to taxfilers such as:

- seniors:
- individuals who complete a tax return solely for establishing their eligibility for the Child Tax Benefit, the GST credit, and various provincial entitlements; and
- wage earners and others with straightforward tax situations.

As a further convenience to seniors, Revenue Canada preprints the amounts for Old Age Security, Guaranteed Income Supplement, and Canada Pension Plan income on their returns. Individuals are asked to review the preprinted amounts and enter any other amounts that apply before they sign the return and send it to Revenue Canada.

This approach has allowed Revenue Canada to significantly reduce the amount of paper it uses.

Revenue Canada also has "forms only" tax packages available for pick-up at all income tax offices. The packages allow clients to get the forms they need without having to take an income tax guide at the same time. Clients can still get complete guide and return packages at Revenue Canada income tax offices and post offices across the country.

Preretirement seminars

The Department, through its income tax offices, can arrange special seminars that explain how the tax system affects retirement. These seminars are usually offered to people who are preparing for retirement. Interested individuals should contact their local income tax office to find out what is available. See the list of addresses and telephone numbers for these offices in Appendix C.

Public facsimile service

Revenue Canada offers a public facsimile (fax) service that allows clients to correspond with the Department. This service is for general business correspondence only. It is not meant for filing returns, or for sending original documents. Rather, it is used primarily to receive and send non-sensitive information, since confidentiality cannot be guaranteed.

The fax service is available in all income tax offices across Canada, and the numbers to dial are published in the income tax packages.

Publications

The Department provides a wide range of information to the millions of Canadians who need it through the various tax returns and guides that it publishes. These returns and guides are updated every year.

The most important source of information is the income tax guide that accompanies each tax return. There are also other guides to meet the needs of specific groups of clients. See Appendix A at the back of this index for a list of some of these publications.

Revenue Canada also offers a wide variety of general and technical publications designed to help clients understand the tax system. These publications are available free-of-charge from all income tax offices. However, there is a charge for annual subscriptions to some technical documents, such as information circulars, interpretation bulletins, and advance tax rulings. Clients can obtain a subscription to one, two, or all three types of technical publications for \$20 a year or \$35 for two years, plus GST (Quebec residents should also add provincial sales tax). Subscriptions can be obtained by writing to: Revenue Canada, Publishing Directorate, Room 3136, 875 Heron Road, Ottawa ON K1A 0L8. Clients can still get copies of individual circulars, bulletins, and rulings free from income tax offices.

Revenue Canada also releases an annual publication entitled *Taxation Statistics*, which provides analytical summaries of information found on individual tax returns. This data is also available on diskette. The Statistical Services Division provides, on request, statistics for many Canadian localities. Clients can obtain information on other statistical taxation data that is available by calling (613) 957-7387.

Residency determination

Sometimes Canadians leaving Canada and non-residents entering Canada need information about their Canadian residency status. To assist them in making residency determinations, the International Taxation Office and all Revenue Canada income tax offices have access to an expert system called the Residency Determination Advisor. This system allows departmental staff to determine and process enquiries about the residency status of an individual quickly and accurately.

Canadian residents who receive foreign income, such as interest, dividends, and pensions, can ask for certification of their Canadian residency. They would need this certification to get a refund of excess tax withheld by other countries when the rate for withholding tax has been reduced under a convention (agreement) between Canada and the foreign country.

RRSP deduction limit

Revenue Canada informs individual taxpayers of their RRSP deduction limit on the *Notice of Assessment* that they receive after they file their last income tax return. For example, the notice for the 1993 tax year assessment provides clients with the maximum amount they can deduct on their 1994 income tax return. This applies for contributions they make to either their own or a spousal registered retirement savings

plan (RRSP) during 1994 or the first 60 days of 1995. Contributions made in the previous year but not deducted on that year's return can be claimed in 1994, subject to an overall maximum.

Clients who want to check their RRSP deduction limit for the 1994 taxation year can call the automated T.I.P.S. RRSP service or their Revenue Canada income tax office.

Teaching Taxes Program

Every year, the Department supplies, free-of-charge, Teaching Taxes kits to more than 6,000 teachers and about 125,000 students. The program is now used in economics, accounting, business, mathematics, consumer education, social studies, and even language courses in high schools and colleges across the country.

Any teacher can order the *Teacher's Manual* and the *Workbook* from Revenue Canada's district taxation offices (see Appendix C for addresses and telephone numbers).

Services for registered charities and non-profit organizations

Registered charities

The Charities Division of Revenue Canada is responsible for reviewing applications for charitable registration under the *Income Tax Act*, for providing technical advice to clients on issues related to the operations of registered charities, and for handling audit and compliance activities.

The Department has a bilingual, toll-free telephone service to help individuals who want information about registered charities. The service provides information on whether an organization is registered as a charity, whether tax-assisted gifts can be made to registered charities under specific circumstances, or how organizations can become registered as charities for income tax purposes.

Through this service, individuals can also obtain copies of the latest public information return filed by a specific registered charity. The service can be reached at 1-800-267-2384 weekdays from 8:00 a.m. to 5:00 p.m. (Eastern Time). Callers in the Ottawa area can reach the Charities Division by phoning (613) 954-0410.

Taxfilers can also find out whether a charity is registered by simply contacting their income tax office.

For information concerning non-profit organizations that are not registered charities, individuals can contact income tax offices throughout Canada (see Appendix C).

Non-Profit Organization (NPO) Information Return

Until recently, only some non-profit organizations, such as those that are incorporated, have needed to file returns. Now, certain agricultural organizations, boards of trade, chambers of commerce, and non-profit organizations have to file the *Non-Profit Organization (NPO) Information Return*.

Organizations have to file this return if they meet one of the following conditions:

- the organization received or is entitled to receive dividends, interest, rental income, or royalties totalling more than \$10,000 in the fiscal period; or
- the total assets of the organization were more than \$200,000 at the end of the immediately preceding fiscal period.

Once an organization has had to file this return, it will have to file the return for all future fiscal periods. This is the case regardless of the dollar value of its revenues or the book value of its assets.

For more information on non-profit organizations, or to get a copy of *Your Guide to the Non-Profit Organization (NPO) Information Return*, individuals can contact their income tax office. See Appendix C for the addresses and telephone numbers of the income tax offices.

Services for business clients

Advance Pricing Agreement (APA) service

Revenue Canada offers the Advance Pricing Agreement service to help Canadian taxpayers establish, for income tax purposes, acceptable transfer pricing for future cross-border transactions between related businesses. (Examples of related businesses are parent companies and their subsidiaries.) Such transactions take place between related businesses that operate in Canada and in another country.

The APA process is also geared to help Canadian taxpayers eliminate potential double taxation arising from transfer pricing issues with their related foreign operations that are residents of a country with which Canada has an income tax treaty. This is accomplished through bilateral agreements involving the other country's tax administration. Canada has developed procedures for establishing such agreements with our major trading partners.

By using this service, business clients can be more certain about the income tax implications of transfer pricing in cross-border transactions. There is a user charge for the APA service. For more information about this service, clients can contact Revenue Canada's International Tax Programs Directorate, 875 Heron Road, Ottawa ON K1A 0L8.

For information about the possible implications of customs valuation, see "Assessment of duties and taxes: Valuation" on page 53.

Advance tax rulings

Revenue Canada has a formal procedure for issuing binding advance income tax rulings for proposed transactions. The Rulings Directorate interprets the provisions of the *Income Tax Act* and related statutes, and establishes the Department's policy regarding these interpretations. The advance ruling states how Revenue Canada will interpret specific provisions of income tax law for a definite transaction that the client is contemplating in the near future. The service has a cost-recovery fee.

Clients can mail written requests for advance rulings or technical interpretations on complex issues to: Rulings Directorate, Revenue Canada, 875 Heron Road, Ottawa ON K1A 0L8. They can also fax requests to the following number: (613) 957-2088.

If clients wish to discuss a technical issue of a routine nature, they should contact their nearest income tax office. The numbers are in the Government of Canada listings in the telephone book.

Automated payroll deductions tables

In order to provide clients with tax changes on a more timely basis and relieve the burden of large amounts of paper, Revenue Canada now provides the payroll deductions tables on diskette. Instead of individual payroll deductions tables for all pay periods, provinces, and territories, one diskette will contain the text and tables for 26 different booklets.

Tables on Diskette (TOD) is now available on request in income tax offices. It should also be available on INTERNET. Beginning in 1996, the Department will automatically mail diskettes to those clients identified as TOD users. Those clients who do not wish to use TOD can still obtain the paper version of the deductions tables.

Business telephone enquiries

All income tax offices provide an enquiries service for business. The Department publishes the telephone numbers in the income tax packages, as well as in the Government of Canada section in the local telephone book.

This service is available in all income tax offices from 8:15 a.m. to 5:00 p.m.

Electronic data interchange (EDI)

The Department has started a number of EDI programs that will make it more efficient, improve the quality and timeliness of its service to Canadians, and save money.

Already in operation are the direct deposit and the electronic filing of tax returns (EFILE) programs, which are described elsewhere in this chapter.

The Department has completed a successful pilot project with two large employers for electronic funds transfer (EFT) of payroll deductions for their employees. Revenue Canada now accepts source deductions electronically from any employer wishing to send them.

Last year, Revenue Canada became the first organization in North America to electronically receive an employer T4 return over regular telephone lines from a computer. In general, an employer T4 return reports all the payroll deductions for Revenue Canada that a company has made for its employees for a particular year. The Department will carry out further tests with other EDI-capable employers. The process will eliminate the need for them to file tapes or paper T4 returns. However, this method of filing may not be economical for large employers, who would find it less costly to file their information on magnetic media (see section on following page).

Electronic data interchange means that:

- · businesses need less time to comply with income tax regulations; and
- both the Department and its clients use less paper.

Other benefits include:

- timely updating of taxpayer accounts;
- quicker processing; and
- improved productivity.

Imaging technology for financial records

Revenue Canada has recently approved imaging technology as a way for business to keep books and records for tax purposes. This initiative will assist businesses by reducing the burden and cost of compliance. Storing financial records using devices such as optical disks (CD-ROM) is less expensive than paper, and is more environmentally friendly.

Firms that provide imaging services estimate that a small retail store, for example, could anticipate a 10% to 20% reduction in related operational costs. A larger business that implements a full-featured imaging system within its corporate structure could expect a 30% to 60% savings in related operational costs.

Companies that would like to use imaging will have to follow the procedures for the technology outlined in the Canadian General Standards Board (CGSB) publication called *Microfilm and Electronic Images as Documentary Evidence*.

For technical information about imaging, clients can call their local income tax office and ask for the Audit Informatics resource person, or they can call Revenue Canada in Ottawa at (613) 957-3661. For more information about CGSB publications, they can call toll-free at 1-800-665-2472.

Magnetic media filing of information returns

Magnetic media filing is a computerized way for medium and large employers, as well as service bureaus, to file their T3, T4, T5, and NR4-related information returns. Instead of sending paper copies of this information, these clients can send computer-generated tapes, cartridges, and diskettes to Revenue Canada. To be able to use this process, clients have to keep their financial data, such as payroll information, in a computerized system. Magnetic media filing saves clients time, paper, and money on their year-end filing.

Since there are certain specifications for filing on magnetic media, the Department has instruction booklets to help clients with the conversion process. To get help, interested clients should call, toll-free, 1-800-665-5164.

Non-resident withholding tax

Clients who need information on the correct procedures for deducting, remitting, and reporting non-resident withholding tax can get help from their nearest district taxation office or the International Taxation Office (see Appendix C).

Scientific research and experimental development (SR&ED) investment tax credit

The Department has a "new SR&ED claimant service" to address the special needs of individuals and businesses who have not previously filed a claim for the SR&ED investment tax credit. In particular, the service involves making prospective claimants aware of the incentives to file.

This service is promoted through SR&ED information sessions and addresses the special needs of first-time SR&ED claimants by:

- sending an SR&ED package and following up with a telephone call to new claimants;
- providing a contact at district taxation offices; and
- arranging visits to explain the program and documentation requirements.

As part of its overall strategy to increase client service and education, the Department has made administrative changes to streamline the process, which consist of:

- reducing to 120 days the time limit on issuing refunds to small corporations; and
- providing notice to large companies within 120 days on whether the Department accepts their claim as filed, or if it will be performing an audit. If there will be an audit, claimants will be advised about when the audit will start.

Revenue Canada has a 60-day "fast track" for SR&ED claims for those SR&ED performers with a proven track record. In addition, the Department has a form and guide to assist clients in making claims for the SR&ED credit.

Also, the Department regularly conducts public information sessions. At these sessions, staff explain what SR&ED means under the *Income Tax Act*. They describe eligible activities, explain what expenditures qualify for the credit, and describe the documentation required for a complete claim. Clients performing SR&ED can get information about when and where these sessions are held by calling the general enquiries number at any of the district taxation offices and asking for the SR&ED co-ordinator.

Rights of the taxpayer

Revenue Canada considers it a priority to make sure that all individuals understand and honour their obligations, and that its clients receive all their entitlements.

Declaration of Taxpayer Rights

The self-assessment system works only if Canadians are provided with full and timely information about the law, if they are treated fairly and courteously, and if the information they provide on their affairs is held in confidence.

Revenue Canada was the first modern income tax administration in the world to formally enunciate the rights of taxpaying Canadians in a *Declaration of Taxpayer Rights*.

The declaration consolidates certain rights found in the *Charter of Rights and Freedoms*, in statutes, and in common law. It summarizes the Department's commitment to treating its clients fairly, courteously, and with respect for their rights. See Appendix B for the complete text.

Double taxation issues

Sometimes Canadian residents, whether they are individuals or corporations, as well as non-residents subject to Canadian tax, may find themselves in a position where their income is being taxed by both Canada and the tax authority of another country.

Canada has entered into tax treaties with more than 50 countries. One of the main purposes of such treaties is to avoid double taxation. To resolve issues of double taxation involving countries with which Canada has a treaty, taxpayers can make a request for "competent authority" consideration to Revenue Canada's International Tax Programs Directorate, 875 Heron Road, Ottawa ON K1A 0L8.

Through this process, the competent authorities of the two countries will, in most cases, reach an agreement to avoid double taxation. Taxpayers should note that this process is separate from any right of appeal available to them under the domestic legislation of either Canada or the other country.

Cases involving any difficulties or doubts arising as to the interpretation or application of a particular treaty should be addressed to Revenue Canada's Policy and Legislation Branch, 875 Heron Road, Ottawa ON K1A 0L8.

Fairness

There are provisions in the *Income Tax Act* that apply to individuals, trusts, small business owners, and corporations, and that permit Revenue Canada to:

- waive and cancel penalties and interest if they are caused by factors that are beyond taxpayers' control, such as being prevented by illness from filing a tax return by the deadline, or if the Department contributed through error or delay;
- issue refunds to individuals and testamentary trusts for the 1985 and later taxation years (previously, claims had to be made within three years of the end of the taxation year concerned);
- allow, in specific circumstances, a taxfiler to make a late or amended election, or to revoke an original election;
- receive objections at local income tax offices on either a departmental objection form or in a letter to the Chief of Appeals; and
- allow more time for individuals and testamentary trusts to file an objection (one year from the due date of the return).

Requests for consideration of these provisions should be addressed to local income tax offices. Addresses and telephone numbers are in Appendix C.

Problem Resolution Program

Most clients' questions and concerns can be resolved quickly through the Department's general enquiries service. However, Revenue Canada recognizes that, from time to time, some clients have concerns that need special attention. As a result, the Department has developed the Problem Resolution Program.

The Problem Resolution Program handles – on a priority basis – cases that cannot be resolved through normal channels. The program co-ordinators examine any concerns that are brought to their attention, trace the problem to its source, and determine whether the case is isolated or part of a larger trend that needs attention.

The Department maintains important links with offices of Members of Parliament and with tax practitioners to help resolve matters raised with them by individual taxfilers. If, after giving regular problem resolution systems a chance to work, clients feel their problems have not been resolved, they can access the Problem Resolution Program by

contacting the problem resolution co-ordinator at their nearest income tax office. They will find the phone numbers listed on the cover sheet with their personalized labels in the tax package the Department mails out each year, or in the Government of Canada listings of their telephone directory.

Appeals

The Department's Appeals Branch deals directly with disputes arising from assessments or determinations under the *Income Tax Act*, the *Canada Pension Plan*, and the *Unemployment Insurance Act*.

Income tax

When differences arise between taxfilers and Revenue Canada, the *Income Tax Act* gives taxfilers the right to object. This right is affirmed in the *Declaration of Taxpayer Rights*.

To support these rights, the Department has instituted a straightforward objection and appeal process for taxfilers who want to contest their assessment. In addition, the fairness legislation has made the appeal process simpler and more streamlined.

District taxation office or taxation centre. Taxfilers who do not understand their assessment, or who disagree with an assessment or reassessment notice, or a determination or redetermination notice, should first contact their nearest income tax office. They can do so by telephone, in writing, or in person. A departmental representative will explain the notice.

Since most concerns result from misunderstandings about such things as the explanations on the assessment, taxfilers usually receive satisfactory answers from these offices and avoid using the objection process. A large number of cases are resolved in this way.

Filing an objection. If taxfilers are not satisfied after discussions with their income tax office, they can file an objection. An appeals officer will conduct an impartial review of the case, and contact the taxfiler to discuss the issues.

Except for large corporations, collection action on the amount in dispute will normally be postponed until 90 days after the decision is mailed. The Department resolves about 80% of all objections to the satisfaction of both parties.

Tax Court of Canada. If taxfilers are still not satisfied, they can appeal to the Tax Court of Canada. The Court hears appeals under two distinct procedures: the informal and the general procedures. Each procedure has specific advantages as well as restrictions and rules. Taxfilers can choose the procedure that is most appropriate for their case.

Other options. Both the taxfiler and the Department have the right to take the Tax Court's decision to the Federal Court of Appeal. The appeal court's rulings, in turn, can be challenged through the Supreme Court of Canada, with that court's permission.

· Canada Pension Plan and Unemployment Insurance

Revenue Canada administers the coverage provisions of the Unemployment Insurance (UI) and Canada Pension Plan (CPP) programs. This involves deciding which employment is insurable or pensionable, and collecting the payments that finance the two programs.

The Department does not decide who should get UI or CPP benefits. That is the responsibility of Human Resources Development Canada. However, since Revenue Canada establishes what employment is covered under the two programs, the Department's decisions can affect an individual's right to benefits.

An employer or any other person affected by a decision or assessment made by Revenue Canada at an earlier stage can ask for a determination (final decision) from Revenue Canada's Appeals Branch. Then a CPP/UI appeals officer does an impartial review, which includes contacting all parties involved.

If one of the persons affected by a decision disagrees with it, that person can then appeal it to the Tax Court of Canada under the informal procedure. A Tax Court of Canada judgment is usually final and conclusive. However, a person can have a decision taken to the Federal Court of Appeal for review, and even to the Supreme Court of Canada under special circumstances.

Chapter 2. Excise/GST

Note: Clients who would like information about applying for the GST credit should consult the section called "Client assistance for income taxes" on page 20.

What's new for excise/GST?

Electronic filing and remitting of the GST

Selected businesses have been participating in a project over the past year that allows them to electronically file their GST returns and payments. This project, developed in partnership with the private sector, is expected to save Canadian business considerable time and money, while cutting paperwork and administrative costs.

Reform of the GST

The Government has initiated a review of the GST with the intent of reforming it. However, the GST will likely continue for at least another year in its existing form. Revenue Canada will continue to administer GST audits and collections after any replacement tax is in place.

Client assistance for excise/GST

Enquiry services

Officers in all excise/GST district offices handle telephone enquiries from 8:00 a.m. to 5:00 p.m. Monday to Friday in both official languages. The telephone number for each excise/GST office appears in the Government of Canada section of telephone directories, under the heading "Goods and Services Tax."

Businesses can also write to these district offices to obtain an interpretation or a ruling on the application of GST, or to determine what their entitlements are to an input tax credit or a rebate.

Consultations and Client Relations

Consultations and Client Relations is an ongoing program of consultation with national, provincial, and local associations and businesses in Canada. It is designed to measure registrant satisfaction with the services Revenue Canada provides. Through this program, the Department invites businesses to bring to its attention any problems they may be having in complying with the GST. The Department offers Consultations

and Client Relations services in Ottawa (headquarters) and in excise/GST regional offices. Also, every excise/GST district office can answer questions about the program.

Help for clients who are deaf or hard of hearing

Taxpayers who have a hearing disability can contact excise/GST offices for bilingual service through a Telecommunications Device for the Deaf (TDD) by dialling **1-800-465-5770** (in Canada only).

Help for clients who are visually impaired

Clients can request any excise or GST publication, and certain forms, in alternative format, including braille, large print, audio-cassette, and computer diskette. All excise/GST offices provide GST publications in large print on-site. Clients who need help to complete a GST form can request assistance from enquiries officers at their local district office.

One-stop information services

Most excise/GST district offices now provide one-stop information services. In these offices, employees are specially trained and equipped with the technology to respond to a wide range of GST-related enquiries.

Toll-free 1-800 telephone services

Excise/GST district offices, except those in Quebec, are equipped to respond to taxpayers' enquiries about excise/GST through a single 1-800 number. Clients just dial 1-800-INFOSER (info-service), that is, 1-800-463-6737, and all calls are automatically routed to appropriate district offices.

Clients in Quebec can contact a ministère du Revenu du Québec office for information (see Appendix D).

When clients are calling a number that is within their own area code, they should use the local enquiries office number listed in Appendix D.

Walk-in services

Registrants who have enquiries regarding the GST can visit their local excise/GST district office and have an officer explain their entitlements and obligations. In addition to offering assistance in both official languages, some offices provide help in languages other than English and French.

Other services

Excise Information Service (EIS)

The Excise Information Service (EIS) is a computerized, online text retrieval system that provides excise/GST employees with immediate access to various databases containing current information on the GST in both official languages. Using EIS,

employees can conduct key-word searches of all GST publications, legislation, administrative policies, questions and answers, and press releases. EIS users can also keep abreast of any internal news and announcements by browsing through a bulletin board. Any of this information can be downloaded onto a diskette or hard drive and printed.

All EIS users also have access to several additional external databases offered by Canadian Tax Online, Infomart Law Online, and Insight through the Wisdom network. These database services provide valuable information on tax issues, law cases, and bankruptcies for employees handling enquiries from the public.

Members of the general public can also gain access to the EIS databases by subscribing to the Wisdom network. Those who are interested should contact Carswell Thomson Professional Publishing at 1-800-363-3783.

GST question-and-answer database

A GST question-and-answer database is accessible to the public through a toll-free number (1-800-267-5979). Clients need only a modem and a personal computer with communications software to browse through a bulletin board, search for questions and answers, and access the field office directory.

GST rebates for public-service bodies

Many goods and services provided by public-service bodies are exempt from the GST. Such bodies include charities, non-profit organizations, municipalities, school authorities, hospital authorities, public colleges, and universities. They can partially recover the GST that they pay on purchases used to make exempt supplies of goods and services by claiming a tax rebate at a prescribed rate. More information on rebates available to public-service bodies is contained in the GST publications entitled *Completion Guide and Form for Registrant Public Service Bodies' Rebate* and *Completion Guide and Form for Non-Registrant Public Service Bodies' Rebate*. These publications can be obtained at Revenue Canada excise/GST district offices.

GST simplification initiatives

Revenue Canada has introduced various initiatives to help make the GST more understandable and flexible for business.

• Annual filing. Small businesses with annual revenues of \$500,000 or less can now file their GST returns annually, instead of quarterly. These businesses will continue to pay their tax owing with four instalments, based on the lesser of the net tax paid in the previous year, or an estimate of the current year's net tax. However, if the net tax payable in the previous year (or estimated amount for the current year) is less than \$1,500, only one GST payment is required when the annual return is filed.

- Changes to the GST return. Businesses no longer have to complete line 102 of the GST return, "Total purchases." Line 101, "Sales and other revenue," records the total value of all taxable goods and services provided in a reporting period. Businesses can now merely enter the total sales amount from their books and records. If they are annual filers, they can enter figures from their financial statements or equivalent.
- Combined annual business return. Some small businesses can now file their annual income tax and GST returns together. These businesses will also be able to make one final payment for both taxes and to offset a credit from one tax against a debit for the other. For more information on this initiative, see page 62.
- Designated reporting periods. Another change is that seasonal or part-time businesses, or non-residents carrying on business in Canada for only a short period of time each year, no longer have to file GST returns during their off-season or periods during which they have little or no GST to report. To be eligible to apply for these "designated reporting periods," the amount of GST charged and other amounts that have to be added to the net tax in a particular reporting period (such as the GST on the taxable employee benefits) must be \$1,000 or less. Annual filers are not eligible to use this filing option.
- Quick Methods of accounting. The Quick Method is a simplified accounting option available to help small businesses calculate their GST remittances, without having to track GST or claim input tax credits. Businesses with worldwide annual taxable sales (including zero-rated sales) of \$200,000 or less, including GST, can use the Quick Method, with some exceptions (e.g., accountants, tax consultants, lawyers, and financial consultants).

For more information on the Quick Method of accounting, see the GST booklet entitled *Quick Method of Accounting – Guide and Election Form*, available from any excise/GST district office.

There is also a Special Quick Method designed for charities, non-profit organizations, and other public-service bodies that are eligible to claim GST rebates.

• Simplified methods to calculate input tax credits and rebates. The simplified methods to claim input tax credits and rebates are measures Revenue Canada has introduced to make it easier for small businesses and public-service bodies to comply with the GST. With these methods, small businesses and public-service bodies do not have to keep track of the GST paid on each invoice. Listed financial institutions cannot use these simplified methods.

To use the simplified method, registered businesses, registered charities, non-profit organizations, or other public-service bodies must have taxable sales in Canada of \$500,000 or less in the immediately preceding fiscal year or in previous fiscal quarters of the current fiscal year. This includes sales of all associates, but excludes sales of capital real property and supplies of financial services. As well, they must have total taxable purchases of \$2 million or less in the immediately preceding fiscal year. For public-service bodies, it must be reasonable to expect that their taxable purchases in the current fiscal year will not exceed \$2 million.

Charities, qualifying non-profit organizations, and other public-service bodies that are eligible to claim rebates and that are not registered for the GST can also use the simplified method to calculate their rebates if they meet the \$2 million purchase threshold.

For more information, see the GST pamphlet entitled *The Simplified Methods for Claiming Input Tax Credits and Rebates*, available at any Revenue Canada excise/GST district office.

Interpretation and Services Program

Through the Interpretation and Services Program, Revenue Canada provides responses to consumer and GST registrant enquiries concerning tax rulings and interpretations, entitlements and obligations under legislation, and departmental policy and procedures. Clients should contact their nearest excise/GST district office for this service (see Appendix D).

Visitor Rebate Program

Under the Visitor Rebate Program, non-resident visitors to Canada can receive a refund of the GST paid on most goods (except alcohol and tobacco products) they take home within 60 days of purchase, and on accommodation provided for less than one month. However, people coming to Canada on a business trip cannot claim a GST refund on accommodation.

Non-residents can use a single application form to claim refunds that apply to the GST, the Quebec sales tax, and the Manitoba sales tax. A single cheque is then issued to the claimant.

Non-resident visitors must complete the application within one year of the day the goods are exported, and mail it with original receipts to:

Revenue Canada Visitor Rebate Program Ottawa ON K1A 1J5 CANADA The Department will mail refund cheques to the foreign address of the individual applying for the rebate. Proof of export documents for high-value items must be included with the application.

• Duty-free-shop rebates. Non-resident visitors can obtain their GST, Quebec, and Manitoba tax rebates at Canadian duty-free shops participating in the Visitor Rebate Program. To receive a cash visitor rebate of up to \$500 Canadian, non-resident visitors have to present their original receipts and photo identification at a participating duty-free shop when they are leaving Canada. In addition, they must have the goods available for examination by the duty-free-shop staff. If they do not have the goods in their possession, they must provide proof that they exported the goods from Canada.

All participating duty-free shops at land border crossings will process the Quebec and Manitoba sales tax rebates at the same time as the GST visitor rebate, regardless of where a non-resident visitor exits Canada (duty-free shops in airports do not participate in the Visitor Rebate Program).

If non-resident visitors have questions regarding the tax rebate, they can contact the Department at 1-800-66VISIT from within Canada (that is, 1-800-668-4748), or (613) 991-3346 if they are calling from outside Canada.

Rights of the taxpayer

Appeals

The Excise/GST Appeals Directorate deals directly with disputes arising from assessments and reassessments under the *Excise Tax Act* concerning the GST.

Goods and services tax

When differences arise between GST registrants or claimants and Revenue Canada, the *Excise Tax Act* gives registrants and claimants the right to object. To support these rights, the Department has instituted a straightforward objection and appeal process for registrants who wish to contest their assessment or reassessment. Independent appeals offices are collocated with major excise/GST district offices to provide better and more accessible service to those registrants wishing to dispute an assessment or reassessment.

Excise/GST district offices. Registrants who do not understand their assessment, or who disagree with their assessment or reassessment notice, should first contact their nearest excise/GST district office. This can be done by telephone, in writing, or in person. A departmental representative will explain the notice and clarify any

misunderstandings that may have resulted from explanations on the assessment notice. Often, a large number of registrant concerns can be satisfactorily addressed at this stage, thereby eliminating the need for a registrant to use the formal objection process.

The informal process can take place at any time after the assessment or reassessment notice has been sent. However, registrants should keep in mind that they have 90 days after the issuance of the assessment or reassessment notice to exercise their right to file an objection.

Filing an objection. If registrants are not satisfied after discussions with the excise/GST district office, they can file an objection within the statutory limit. An appeals officer will conduct an impartial review of the case, contacting the registrant when necessary to discuss the matter. The local appeals office then issues a decision concerning the registrant's objection.

Tax Court of Canada. If registrants are still not satisfied, they can appeal an assessment or reassessment concerning GST to the Tax Court of Canada. The Court hears appeals under two distinct procedures: the informal and the general. Each procedure has specific advantages as well as restrictions and rules. Registrants can choose the procedure that is most appropriate for their case.

Both the registrant and the Department have the right to take the Tax Court's decision to the Federal Court of Appeal. The appeal court's decision can be challenged through the Supreme Court of Canada, with that court's permission.

Other taxes

The Appeals Branch also deals directly with outstanding issues concerning the former federal sales tax, transitional rebate, and the *Softwood Lumber Products Export Charge Act*, as well as with disputes concerning ongoing excise taxes and the air transportation tax. Clients who wish to contest an assessment or determination concerning these taxes or charges can follow the same process as that outlined above, with one exception. Clients who are still not satisfied after receiving a decision concerning their objection can appeal the assessment or determination either to the Canadian International Trade Tribunal or directly to the Federal Court, Trial Division. Decisions of the Tribunal can be appealed to the Federal Court, Trial Division, and will take the form of a new trial. Judgments of the Trial Division can be appealed to the Federal Court of Appeal and from there can be challenged through the Supreme Court of Canada, with that court's permission.

GST fairness initiative

If a person has been prevented from complying with the GST legislation as a result of extraordinary circumstances beyond the person's control, there are provisions in the legislation that permit the Department to waive or cancel all or any portion of a penalty or interest charge applied to an amount not remitted or paid. Extraordinary circumstances include a natural disaster, the death or serious illness of a key employee, as well as situations where the Department may have provided erroneous written information to the registrant or taxpayer.

Requests for consideration should be addressed to any excise/GST district office (see Appendix D).

Chapter 3. Customs

Revenue Canada administers the *Customs Act*, the *Customs Tariff*, the *Special Import Measures Act*, and other relevant legislation and regulations. The Department's goal is to make the process of clearing customs as easy as possible, while fulfilling its responsibility to protect Canada's borders against the illegal movement of goods and people, to collect revenue, and to administer trade policy.

Trade policy administration contributes to achieving the federal government's economic and foreign policy objectives by regulating the conditions under which goods can be imported or exported. One of the major objectives is to ensure that Canadian industry receives the advantages intended under a wide variety of trade policy legislation by:

- collecting duties and taxes (and granting relief from them, when applicable);
- limiting the volumes of certain goods allowed to enter the domestic market (import quotas);
- ensuring goods have attained legislated levels of value-added to qualify for lower rates of duty under the Canada/U.S. Free Trade Agreement (FTA), the North American Free Trade Agreement (NAFTA), or the General Agreement on Tariffs and Trade (GATT); and
- imposing anti-dumping and countervailing duties when goods are proven to be unfairly traded into the domestic market.

Revenue Canada is also committed to protecting Canada's borders for the benefit of travellers, border communities, and business. This involves administering more than 80 acts and regulations for other government departments and agencies at more than 500 full-service customs locations, including air, marine, rail, and land border crossings. Revenue Canada, in co-operation with other government departments that share an interest in screening travellers who enter Canada, is currently making changes to increase the effectiveness of the inspection process. These changes will also improve the system by limiting the involvement of customs with low-risk travellers.

In order to improve the quality of service, customs enforcement personnel are continually searching for less intrusive and more time-saving examination techniques. As a result of research and development, they are now using state-of-the-art X-ray systems, fibre-optic probes, and drug-sniffing systems.

After intensive consultations with senior executives from a cross-section of small and large Canadian businesses, Revenue Canada launched a plan to improve the administrative procedures for commercial importations.

This plan, called the New Business Relationship, responds to the needs of the Canadian business community by offering its members different options for establishing their business links with Revenue Canada. It has resulted in more streamlined customs operations, and has reduced paper burden and costs for Canadian businesses.

Revenue Canada has also adopted a no-hassle release policy so that a client's goods are no longer denied release because of minor errors in documentation. Further, to provide nationally consistent rulings, the Department has implemented a system whereby an import ruling given in one region for certain goods becomes valid nationally.

What's new for customs?

National Customs Rulings Program

The National Customs Rulings Program is a new departmental service to provide binding advance rulings on importations for Canadian businesses. The objectives of the program are to give certainty to businesses by providing them with rulings on their customs liabilities that will be honoured nationally, and to provide this service within 30 days for regular cases and 120 days for complex cases. Importers have the responsibility to provide all relevant information. Rulings are binding on both the Department and the importer.

A National Customs Ruling (NCR) is the written statement that the Department provides to importers or their agents stating how it will apply specific provisions of existing customs legislation to an importation. NCRs apply to many departmental programs, including tariff classification, origin, and value for duty. The Department began to publish a number of these rulings in late 1994.

Importers or their agents have to submit a request for an NCR in writing to the Chief, Rulings and Appeals, Trade Administration Services, at their nearest Revenue Canada regional customs office, where they can also get more information about the program.

The Duty Deferral Program

Under proposed changes to the *Customs Tariff*, duty deferral mechanisms, including the bonded warehouses and the Duty Drawback and Inward Processing programs, will be consolidated (see page 52).

Client assistance for customs

Note: Some of the services described in this section are for both ordinary travellers and commercial clients, such as importers and exporters. However, this publication lists some specialized services for commercial clients in the section called "Customs commercial services" that starts on page 51.

Enquiry services

Travellers and importers can get information and assistance by visiting Revenue Canada headquarters in Ottawa, one of the six regional offices located across Canada, or a customs office at an international airport or land border crossing. Customs attachés are also located in the Canadian embassies in Brussels, Belgium, and Tokyo, Japan.

Automated Customs Information Service (ACIS)

The Automated Customs Information Service (ACIS) is a computer-based system that automatically answers incoming telephone enquiries and provides prerecorded information on a wide variety of customs-related topics. Callers using ACIS during office hours can transfer their call to a customs officer to obtain personalized service. ACIS is available in both official languages and is geared towards the general public, travellers, the importing and exporting community, as well as other members of the business community.

Clients with Touch-ToneTM service or rotary-dial telephones can access this recorded information system in the following locations by calling these numbers:

Calgary	(403) 292-8750	Ottawa	(613) 993-0534
Edmonton	(403) 495-3400	Québec	(418) 648-4445
Halifax	(902) 426-2911	Toronto	(416) 973-8022
Hamilton	(905) 308-8715	Windsor	(519) 257-6400
Moncton	(506) 851-7020	Winnipeg	(204) 983-6004
Montréal	(514) 283-9900	Vancouver	(604) 666-0545

Clients can also call toll-free from other locations in Canada by dialling 1-800-461-9999.

Help for clients who are deaf, blind, or visually impaired

Revenue Canada is committed to providing quality services to clients who are deaf or have visual impairments. Most regional customs offices are equipped with the Telecommunications Device for the Deaf (TDD). The *I Declare* brochure, which provides information on what to declare to customs on entering Canada, is available on audio-cassette for clients who have visual impairments. For information, clients should call (613) 957-0251.

Other services for travellers

Assessment of duties and taxes

Most Canadians who return to Canada after a foreign trip are quite familiar with their entitlements and obligations for declaring imported goods, and paying duties and taxes. Pamphlets and brochures such as *I Declare* provide easy reference and simple explanations for travellers dealing with customs. (Also see "Assessment of duties and taxes" under "Customs commercial services" on page 51.)

Designated lanes

Revenue Canada has introduced special lanes at key border crossings across Canada to facilitate the movement of travellers through customs. In most cases, these special lanes are for visitors to Canada to encourage tourism. However, at some sites, the lanes are available to returning residents with no goods to declare.

International Project Return

International Project Return is a joint initiative between Revenue Canada, Citizenship and Immigration Canada, and the Royal Canadian Mounted Police (RCMP) that helps abducted children and runaways return to their homes. To fulfil its role, Revenue Canada has more than 3,500 customs inspectors on the alert for abducted children and runaways at international airports and land border crossings.

International Project Return is also part of a network of agencies from more than 40 countries. This network regularly exchanges information to help member agencies find missing children and reunite them with their families.

When people are crossing international borders, they should remember that customs inspectors and immigration officers are on full alert for children who need protection. For this reason, a child or youth travelling without proper identification or with adults who are not their legal guardians may be interviewed more thoroughly. To help avoid delays at international borders, travellers should always have identification for their children, no matter how old they are. If the travellers are separated or divorced, they should carry legal documents about custody rights. Also, if they are not the legal guardian of the child, they must carry a letter of permission from the legal guardian that authorizes them to have custody of the child when entering Canada.

For more information, clients can call (613) 990-8585, 24 hours a day. People with information on missing children can call toll-free at 1-800-463-FIND, that is, 1-800-463-3463. All leads received are passed on to the RCMP's Missing Children's Registry.

NAFTA information services for travellers

Under the North American Free Trade Agreement (NAFTA), customs procedures will not change for the travelling public. Business at the border will continue as usual. Travellers will be entitled to reduced rates of duty on qualifying U.S. and Mexican goods.

Travellers can obtain:

- existing departmental brochures, such as *I Declare*;
- the publications Bringing Back Goods from the United States in 1995 and Bringing Back Goods from Mexico in 1995, which contain NAFTA duty rates; and
- general information on NAFTA.

Clients can contact the Automated Customs Information Service through the phone numbers listed in the section on ACIS on page 47, or any regional Trade Administration Services.

Peace Arch Customs Entry (PACE)

United States customs and immigration, Revenue Canada, and Citizenship and Immigration Canada have introduced a pilot inspection program at Douglas, B.C. This program has set up a preapproval process for travellers that allows them to use an express inspection lane for admission to Canada.

Using a "basket tariff" system (like items grouped together under a single tariff rate), duties and taxes payable by travellers are billed directly to the travellers' Visa or Mastercard, and the revenue is deposited directly to the Receiver General. The Department has approved the expansion of PACE to the Boundary Bay border crossing in British Columbia, and a similar system called CANPASS will be tested in 1995 in the Southern Ontario Region.

Postal Import Control System (PICS)

Revenue Canada customs processes incoming international mail and parcels at six customs mail centres. These centres are located in Canada Post facilities in Calgary, Montréal, Saint John, Toronto, Vancouver, and Winnipeg.

Customs officers perform a primary review to screen out all items not subject to duty, and items that are exempt under the *Postal Import Remission Order* or gift exemptions. They return these items to Canada Post for immediate delivery.

Revenue Canada uses PICS to determine the admissibility of the parcel and the applicable duties and taxes.

PICS generates a Form E14, *Customs Postal Import Form*, which displays the assessed duties and taxes owing for all commercial goods valued under \$1,200, and all non-commercial goods regardless of value, and attaches it to the parcel. The mail items are then given to Canada Post for delivery and collection of duties and taxes from the importer plus a \$5 handling fee. Commercial goods over \$1,200 are held by customs pending complete customs documentation and accounts.

• Customs Casual Refund Centres

Casual Refund Centres have been established to process requests for refunds of non-commercial (casual) shipments which were imported by mail, courier, or brought in by the traveller. The 10 refund centres have been given authority to requisition refund cheques, where applicable, for customs duties, GST, and PST collected at time of importation. A new simplified refund request form, called

form B2G, *Customs Informal Adjustment*, was developed to facilitate the process of requesting a refund of duties and taxes on imported casual goods. The B2G forms are available at Canada Post outlets as well as customs offices. The refund centres are able to process these requests within nine days and issue one refund cheque for all duties and taxes being refunded.

Primary Automated Lookout System (PALS)

Customs is implementing a lookout system in conjunction with Immigration. This system allows customs inspectors to access an Immigration and Customs database containing information on high-risk travellers, e.g., terrorists and drug smugglers. The system comprises a passport reader, licence plate reader, keyboard, and computer terminal.

This system, which speeds processing and screens travellers more accurately than manual methods, is in place at major airports. It will be installed at all major land border crossings by March 31, 1995.

Remote-area border-crossing (RABC) permit

Revenue Canada and Citizenship and Immigration Canada are participating in a test system of traveller processing in northwestern Ontario that permits boaters and snowmobilers in the Rainy Lake/Lake of the Woods area to enter Canada without having to report to customs. However, they have to have preapproval to participate. The pilot test has demonstrated that this is a viable initiative, although new immigration regulations will be required before this system can be expanded to other locations.

Self-declaration system (SDS)

Revenue Canada is currently testing a self-declaration system designed to expedite the duty collection process for travellers. Using this system, travellers can complete a form to declare goods they have purchased outside Canada before their arrival at customs.

The system uses a set of "basket tariff" items to identify duties and taxes that apply on given goods. Basket tariff items are items of a like nature and tariff rate, e.g., clothing and footwear, that are grouped together in one "basket" under a single averaged tariff rate.

Self-selection system (SSS)

Customs has introduced a variation of the European Red Door/Green Door travellers processing system at all international airports in Canada. The system uses LED (light emitting diode) signs and red or green markers to direct visitors and returning Canadians to the appropriate areas of customs to declare goods, or to exits when they have nothing to declare. A major feature of the system is an easy-access duty collection booth that permits travellers to pay any duties owing while they wait for their baggage to arrive. This system is currently being implemented nationally.

Travellers Entry Processing System (TEPS)

In the past, collecting import duties and taxes from travellers was a manual process that took close to 10 minutes per traveller. In an effort to improve service to the general public, customs has developed and introduced the travellers entry processing system, otherwise known as TEPS.

TEPS is a computerized system that enables customs officers to more easily determine tariff classification and complete the documentation necessary for travellers to clear customs. Use of TEPS has reduced processing times to about 2.5 minutes per traveller.

Customs commercial services

Note: The following services are mainly for commercial clients of Revenue Canada. However, some of the services listed in the previous section, "Client assistance for customs," are also designed for these clients.

Account security and late payment of account

Importers who wish to obtain their shipments under procedures that allow release of the goods before they have paid the duties and taxes have to deposit security with the Department and obtain an account security number for identification purposes. This program also provides for deferred payment of the duties and taxes through a monthly periodic payment system. Under this system, the duties and taxes accounted for between the 25th of the previous calendar month and the 24th of the current calendar month are payable on the last working day of the current month.

Assessment of duties and taxes

Most of Canada's trade involves commercial importations by experienced importers and agents. Canadians wishing to import goods into the country can contact their local or regional customs office for information and assistance before importing.

Local customs personnel are supported by specialists and administrators who are knowledgeable in customs tariff issues, valuation, origin requirements, and duties relief programs. See Appendix E for customs addresses and phone numbers.

For policy interpretation and resolution of complex cases, regional and Headquarters staff provide assistance in the following areas:

• Duties-relief programs

Duties-relief experts provide advice on the various duties-relief programs administered by the Department. The following summary highlights some of the programs that are available:

Canadian Goods Abroad. The Canadian Goods Abroad Program allows for partial or full relief from the payment of customs duties and taxes on goods that are exported for repairs, additions, or work done abroad and subsequently returned to Canada, as long as specific conditions are met.

The Duty Deferral Program. This program includes the bonded warehouses, and the Duty Drawback and Inward Processing programs.

Bonded warehouses

Bonded warehouses are facilities licensed for the storage of imported goods prior to release from customs and for goods destined for export.

While in warehouse, the total customs duties, excise tax, GST, provincial sales tax, surtax, and countervailing duties are deferred. Goods can be placed in the warehouse for periods of up to two years for basic goods. For specified goods, the period is up to 15 years. Clients may be able to extend these periods when extenuating circumstances prevent clearing the goods within established time periods.

While in bond, goods can be manipulated, altered, or combined for normal maintenance and servicing to comply with any applicable federal or provincial laws, or to separate defective goods from prime-quality goods.

In addition, goods can be relabelled, repackaged, stored, inspected, displayed, tested, destroyed, and exported.

Duty Drawback

The Duty Drawback Program assists Canadian companies to become more competitive in export and domestic markets. The program provides for drawback of duties paid on imported goods when certain circumstances, such as re-export or specific use of specific materials in Canada, are met.

Inward Processing

The Inward Processing Program provides for relief from the payment of customs duties at the time of importation. This program applies to imported goods or materials used in the processing or manufacture of goods for later export.

Machinery Program. This program provides remission of the customs duties payable on imported machinery and equipment not obtainable from Canadian production. At the same time, the program offers Canadian manufacturers tariff protection on the machinery and equipment they produce.

Remission. There are several remission programs available to Canadian manufacturers and importers which provide for relief from the payment of customs duties at the time of importation when the goods meet certain legislative conditions.

Temporary Importations. This program provides for relief from the payment of all or a portion of the duties, other than the goods and services tax (GST), for certain goods that are imported and subsequently exported after being used in Canada for a specific purpose.

For more specific information concerning these programs, clients should contact the regional Trade Administration Services or the Director, Duties Relief Programs Directorate, at (613) 954-7101.

Origin determination

Origin experts provide advice on origin determination and tariff status, including advice on which goods qualify for reduced or free rates of duty under the Canada/U.S. Free Trade Agreement. For more information, clients can contact the regional Trade Administration Services or the Director, Origin Determination Directorate, at (613) 954-6980.

Tariff classification

Tariff experts provide advice on tariff classification and interpretation of the *Customs Tariff* (legislation describing goods and stipulating the rates of duty which apply to them). For more information, contact the regional Trade Administration Services or the Director General, Tariff Programs Division, at (613) 954-6990.

Valuation

Valuation experts provide advice on the value for duty of goods, the base on which import duties and taxes are assessed. There are also Departmental publications to help the importing community to determine import values. For more information, clients can contact the regional Trade Administration Services or the Director, Valuation Division, at (613) 954-9335.

Electronic data interchange (EDI) related initiatives

The Department has implemented several EDI systems to streamline the customs commercial process:

Customs Automated Data Exchange System (CADEX)

CADEX enables importers and brokers to electronically transmit and receive customs transactions related to accounting and entry. Implemented in 1988, CADEX was Revenue Canada's first customs EDI system.

Customs Declaration Message (CUSDEC)

CUSDEC has basically the same functions as CADEX. However, the CUSDEC message is an approved international standard, whereas the CADEX version is proprietary. Customs first implemented CUSDEC in 1992.

EDI cargo system

With the EDI cargo system, marine and rail carriers can transmit cargo and transport data before their arrival at customs. Participants do not have to present paper copies of cargo and transport reports.

• Electronic funds transfer (EFT)

Implemented in Toronto with the Toronto Dominion Bank, the EFT pilot project enables participants to remit duties and taxes by electronic transmission rather than by presenting cheques at their designated Revenue Canada customs accounting office.

• Release Notification System (RNS)

RNS provides importers and brokers, warehouse operators, and carriers with electronic notification of customs releases within 30 minutes of the release decision.

Line Release System

The Line Release System is a computer-assisted set of operations that facilitate the clearance of commercial goods through primary inspection lines at the border.

The Line Release System incorporates the following features:

• Frequent Importer Release System (FIRST)

FIRST enables customs to release repeated low-risk shipments (that do not require inspection or control by other government departments) for frequent importers. Importers who have a high degree of voluntary compliance with departmental regulations may be authorized to use this system. When the goods of an importer who has FIRST privileges arrive at the border, a customs inspector determines if the shipment is to be released or examined.

• Prearrival Review System (PARS)

PARS enables customs to process release information before a commercial shipment arrives at the border. Importers or brokers must provide customs with release documentation (similar to RMD documentation) at least two hours before the shipment arrives. Customs will process the documentation, and make a recommendation to either examine or release the shipment directly or through an expedited counter release process.

Customs has also developed a variation of PARS for other modes:

The Inland Prearrival Review System (INPARS) provides expedited clearance procedures for shipments at inland sufferance warehouses.

The Marine Prearrival Review System (MarinePARS) provides expedited clearance procedures for shipments at marine ports.

The Rail Prearrival Review System (RailPARS) provides expedited clearance procedures for shipments imported by rail.

The Air Prearrival Review System (AirPARS) provides expedited clearance procedures for shipments at airports.

• PARS Arrival Release Notification System (PARNS)

Under PARNS, participants can continue to receive electronic notification of releases under the Release Notification System but, in addition, can have a two-way communication with customs to facilitate prearrival review processing at specific customs offices of release. Participants such as customs account security holders (importer/broker) are able to attach delivery instructions to a release record for the information of another participant, e.g., informing the warehouse operator/carrier to hold goods for pick-up. Participants such as the sufferance warehouse operator are able to notify customs of the arrival of the goods. Subsequently, customs returns a message to the warehouse operator with the released or referred status.

The Department has implemented the PARS and FIRST features of the Line Release System at 19 automated frontier border crossings into Canada. INPARS has been implemented at a number of inland sites and is available to interested participants on request. For carriers who use the Line Release System, the typical time required for customs procedures at the border has been reduced from about one hour to less than one minute.

Customs has also implemented the PARS Arrival Release Notification System (PARNS). When the goods arrive, the warehouse operator sends an arrival message to customs electronically. Customs then returns a release message electronically.

For more information on the Line Release System, clients should contact their nearest customs regional or district office.

NAFTA information services for commercial clients

In regards to customs procedures, it is business as usual for most of the Canadian importing community under the North American Free Trade Agreement. For some specific sectors, such as textiles, apparel, chemicals, and automotive, there are significant differences. The Department has set up the following customs information services to answer questions on the Agreement's customs procedures.

Electronic bulletin board

This bulletin board provides information on NAFTA. Clients need a computer, communications software package, and modem to access the bulletin board. To access the board, they should set:

- the communications package as an ANSI terminal;
- the databits field to 8;
- the stopbits field to 1;
- parity to N;
- the baud rate to 2400; and
- the telephone number to 1-800-267-5979.

Enquiry line

Clients can call 1-800-661-6121 between 8:00 a.m. and 5:00 p.m. (Eastern Time) Monday through Friday for answers to questions on the implementation of NAFTA. After 5:00 p.m., clients can leave a message, and their call will be returned the next working day. They can also fax their questions to (613) 952-0022.

Revenue Canada publications and customs notices are available by calling or faxing the NAFTA enquiry line.

The United States and Mexico have set up their own NAFTA enquiry lines. For U.S. customs information (service is not available in French), call (202) 927-0066. For Mexican customs information (service available in Spanish only), call (525) 211-35-45.

Publications

Canadian government publications on NAFTA and international trade are available by calling InfoEx in Ottawa at (613) 944-4000, or from outside Ottawa at 1-800-267-8376. The fax number is (613) 996-9709.

Seminars and conferences

Revenue Canada will provide experts and speakers to answer questions about NAFTA and how it will affect the members of national associations, or any other interested parties such as U.S. or Mexican exporters, Canadian importers, or customs brokers. Call NAFTA Trilateral Co-operation at (613) 952-3483 or (613) 952-8157 to arrange for speakers.

Workshops for business

Revenue Canada will help associations and businesses develop sector-specific training packages to assist businesses most affected by NAFTA to understand the new rules. Call NAFTA Trilateral Co-operation at (613) 952-3483 or (613) 952-8157 for more information.

New Business Relationship initiatives

• Accelerated Commercial Release Operations Support System (ACROSS)

As outlined in Customs 2000 and in the New Business Relationship initiative, a highly integrated electronic commerce system is required to meet the current and future needs of the importing community. The Accelerated Commercial Release Operations Support System (ACROSS) will meet these needs through:

- electronic release:
- client service option registration;
- flexible reporting methods;
- · workload management; and
- automated release recommendations based on profiles.

The system will also support the requirements to provide electronic links to other Government departments. ACROSS will implement the Foreign Affairs and Customs Automated Permit System nationally. This system enables foreign affairs to electronically transmit import permit data information to customs, and thus eliminates the need for importers to present paper import permits to customs officials.

ACROSS will be implemented in at least three phases:

- In Phase I, the regional Electronic Data Interchange (EDI) Release pilot will
 allow importers and brokers to transmit release data to the Department. This will
 replace the existing requirements to submit paper (subject to limitations such as
 Agriculture certificates).
- ACROSS Phase II will implement, on a national scale, Phase I and the Foreign Affairs and Customs Automated Permit System. Implementation is planned for 1995.
- ACROSS Phase III will address future requirements and will be subject to funding and resource availability.

Aerospace initiative

In May 1993, the Department announced that testing of its new administrative procedures, under the umbrella of the New Business Relationship, would begin with the aerospace sector. Changes being tested will streamline the entire customs commercial process, including reporting, release, accounting, verification, and adjustment, and offer a relationship based on trust and mutual co-operation. Changing the way business is conducted will provide benefits by eliminating duplication and red tape, simplifying and streamlining customs business procedures, and reducing costs by eliminating paper burden.

The Aerospace New Business Relationship initiative involves six members of the aerospace industry of Canada: Pratt and Whitney, Bombardier, Canadair, Canadian Marconi, Heroux, and Hawker, Siddeley and Menasco. Each of the participants will be allowed expedited release procedures based on profiles established with customs. Revenue Canada will conduct on-site audits before and after a six- to eight-month period to verify compliance with all legislative requirements. An evaluation will follow to determine the success of this initiative for both government and this industry sector.

• Automotive system

In the fall of 1994, Revenue Canada and the "big three" automotive manufacturers – General Motors, Ford, and Chrysler – pioneered a new way of doing business, including reporting, releasing, accounting, payment and adjustment, and verification processes, for production and services goods being imported into Canada. For reporting and release purposes, this new approach will initially involve only those shipments arriving in Canada by highway.

The report/release process is referred to as the Advanced Shipping Notification (ASN) system. It is initiated when the supplier sends an electronic inventory to the automotive manufacturer through EDI transmission. The automotive manufacturer then downloads the information relative to the production and services goods to Revenue Canada in anticipation of the arrival of the shipment. For those goods arriving by highway, the carrier will use the new report and release document. The normal process for the release, referral, and examination of the goods will be conducted by the customs inspector.

The manufacturers will become responsible for correctly accounting for their production and service imports and for self-assessing the duty and taxes owing. While continuing to provide detailed B3 import entry data via Customs Automated Data Entry System (CADEX), the automotive manufacturers will summarize their duty and tax liabilities each month by submitting the new Revenue Summary Form to the control office. The form will allow them to offset duty resulting from remissions, drawbacks, classification or origin changes, and similar adjustments to which they consider themselves entitled.

Protective measures for Canadian products against unfair foreign competition

The Special Import Measures Act (SIMA) protects Canadian producers and manufacturers against unfair foreign competition from the importation of low-priced dumped or subsidized goods.

Dumping occurs when imported goods are sold to Canada at prices lower than those prevailing in the market of the exporting country. Dumping can also occur when goods are sold to Canada at prices that are lower than the full cost of producing and selling the goods. Subsidizing occurs when foreign governments provide production or export

subsidies that reduce the price of goods exported to Canada. Protection against these practices can be taken if the imported goods have caused or threaten to cause injury to Canadian producers of similar goods. In such cases, Revenue Canada can remedy the situation by imposing anti-dumping or countervailing duties on the importation of these goods. For more information, contact the Director General, Anti-dumping and Countervailing Division, at (613) 954-7269.

Rights of the client

Travellers' rights

Revenue Canada wants the experience of returning to Canada from abroad to be as pleasant as possible for the travelling public. If clients encounter difficulties with the customs process, they should speak to the supervisor on duty who, in many cases, will be able to resolve their concerns immediately. Occasionally, situations arise that require a more formal process. If clients disagree with the amount of duties and taxes they have paid, they can contact their nearest customs office. A consultation can often resolve the issue in a quick and cost-free way. If they are still not satisfied, customs staff can tell them how to make a formal appeal.

Disputes of duties and taxes payable

Customs, in partnership with its clients, endeavours to facilitate the movement of goods imported into Canada. In fact, the Department processes approximately 10 million entries a year and, for the most part, duties and taxes payable on these goods are dispute-free.

However, from time to time, importers disagree with the decisions that the Department renders. In these cases, the *Customs Act* provides for administrative and judicial reviews of those decisions. If importers have reason to dispute a decision on the amount of duties and taxes payable, they can contact the customs office where the goods were accounted for. Consultations with the customs office are often sufficient to resolve the issue in a quick and cost-free manner, especially regarding non-commercial importations. If the initial consultation is not satisfactory and further action is needed, customs staff are available to inform importers of the formal appeal mechanism and how to invoke it.

Legislative review process for seizures and forfeitures (assessments)

When goods are not reported or are falsely reported to customs by travellers or a commercial importer, the *Customs Act* allows for the seizure of the goods or, where the goods have already gone into domestic consumption or cannot be found, for an assessment of an amount of money in lieu of a seizure.

The action taken by customs in these situations can be appealed to the Adjudications Division within 30 days of the date of the seizure or the service of notice (assessment in lieu of seizure). Failure to appeal a seizure or assessment within the prescribed time period will legally disqualify a claim.

During the adjudication process, the claimant's representations are thoroughly reviewed and considered prior to the matter being reported for final decision. The adjudicator will consider the legality of the seizure action, ensure the terms of the assessment are in accordance with departmental policy, and then take into consideration all mitigating factors.

All appeals must be submitted in writing to the customs office where the seizure took place or to the following address:

Revenue Canada Trade Administration Branch Adjudications Division Ottawa ON K1A 0L5 Tel: (613) 941-6144

Chapter 4. Special Services for Small Business

Enhancing and simplifying services

In addition to the services outlined in the previous chapters, Revenue Canada has undertaken a number of initiatives especially designed to improve its service to small Canadian businesses and to enhance their competitiveness. In particular, some of the Department's offices are now offering a special "business window" as a one-stop shop for information and services. (There are more details on this initiative in the introductory chapter under "Where to go for services" on page 12.)

At some offices, where relevant, the Department is offering small business seminars where an expert from each of the customs, income tax, and excise/GST areas cover very basic information on the processes of each area. The Department has also initiated programs to monitor client satisfaction with its services, such as service rating cards and the service enhancement program.

Tailor-made assistance related to income taxes includes a specially designed information package, small business tax seminars, personalized visits to new employers, and a shorter, simplified tax return. The Department also offers a basic course on the GST, pamphlets aimed at specific types of small businesses, promotion of the Quick Method of accounting for GST based on a percentage of sales, and a one-stop shopping concept for GST offices.

Revenue Canada customs initiatives include:

- simplifying customs procedures and streamlining the process with electronic data interchange and expedited clearance systems;
- enhancing public information and education through programs such as the customs trade seminars, the Automated Customs Information Service (ACIS), and regional information units;
- tailoring its programs and services to the specific needs of individual companies and industries; and
- offering importers access to a single and specific contact within the Department who has knowledge of their business as well as their industry as a whole. This contact will also serve as a bridge to other government departments that have import or export-related requirements.

Combined Annual Business Return

Some small businesses have the option to file their annual GST return at the same time as their individual income tax return. Using the *Combined Annual Business Return*, they can also offset a debit from one return with a credit from the other, or combine the debits from the two returns and make a single remittance.

To be eligible for this filing option, the business has to:

- have \$500,000 or less in taxable annual revenues;
- be an individual operating a business (i.e., not a partnership, corporation, or trust);
- be registered for the GST;
- be a GST annual filer:
- have a GST reporting period that ends on December 31; and
- be located outside Ouebec.

Customs Trade Seminar Program

As part of its client-service initiative, customs has held trade seminars in a number of locations (Halifax, Toronto, London, Winnipeg, and Vancouver). These seminars provide small and medium-sized businesses with information on a variety of customs-related matters. The Department plans to hold similar trade seminars in the future. To get more information, interested clients should contact Border Services Branch at (613) 952-9488.

Activities at the one-day seminars include:

- information sessions on various customs matters, including current significant issues such as NAFTA; and
- an exhibit area with booths from Revenue Canada, the United States Customs Service, other Canadian government departments and agencies, and related trade associations.

Employer Visit Program

As a further service to help new employers, Revenue Canada offers the Employer Visit Program.

Departmental officials are available to visit new employers on their own premises to discuss their concerns as well as how the Department can work with and assist employers with the many challenges they face.

Goods and services tax (GST)

Basic information booklets

A series of booklets providing basic information needed to comply with the GST were published in April 1994. These booklets cover specific small business sectors, including performing artists, hairstylists, restaurateurs, construction trades, and home-based businesses (see Appendix A).

New Registrant Workshops

Excise/GST district offices offer a three-hour New Registrant Workshop to small businesses. As well, community colleges across the country provide a basic course for entrepreneurs and bookkeepers (four evening sessions) entitled "Small Business and the GST." The workshops and courses provide small businesses with the information they need to make compliance with the GST as simple as possible. Workshops are offered in languages other than English and French where there are sufficient numbers to warrant this. Courses are given in Chinese, Korean, Italian, Spanish, Greek, and Farsi.

Other seminars of a more technical nature are available on request, depending on the number of proposed attendees and departmental resources available. To get information about the workshops, clients can call the telephone numbers in Appendix D. Callers in Quebec should contact a ministère du Revenu du Québec office for information (these numbers are also listed in Appendix D).

• What Business Needs to Know video

A video called *What Business Needs to Know* provides an overview of the GST and is intended for use by trade associations, cable TV outlets, schools, and libraries. This video is available through local excise/GST district offices.

Income tax return for smaller corporations

Revenue Canada offers a T2 Short corporation income tax return for smaller corporations. This form reduces the time it takes small corporations to complete their return by offering them a two-page alternative to the existing six-page return. It is designed for small corporations with gross revenue of \$500,000 or less, and with no taxable income.

Integrated business number for Revenue Canada accounts

Revenue Canada has introduced a single registration number for businesses, called the Business Number (BN), as its first major step towards integrating its business programs. The new numbering system will replace the multiple numbers that businesses now need to deal with the federal government. It covers the four main Revenue Canada accounts that affect most businesses: corporate income tax, import/export, payroll deductions, and the goods and services tax (GST).

The new system was piloted in eight cities in 1994. It will be phased in across the country starting in January 1995. Under this system, the Department will assign a BN to new businesses. Existing businesses will have until 1997 to voluntarily convert their Revenue Canada accounts to the new system.

This voluntary conversion period provides existing businesses with the flexibility they need to plan their best time to convert. The new system will become mandatory for Revenue Canada's four major business accounts in January 1997.

Businesses can register for the Business Number by phone, mail, or fax, or at their local Revenue Canada office, where they can also get information about the system. Existing businesses will receive Business Number conversion kits in the mail. They can convert by mail, or by calling toll-free 1-800-959-8297 (for service in English), or 1-800-959-8299 (for service in French). A toll-free fax line is also available at 1-800-959-8280. (See also the introductory chapter called "About Revenue Canada" on page 8.)

Small Business Employers' Kit

To help small businesses, Revenue Canada produces an information kit designed to simplify the process of deducting, withholding, and remitting source deductions for employees.

Small business information seminars

The Department offers small business seminars to inform and assist new or prospective businesses about their rights and obligations under the customs, excise, and income tax legislation, and about the service and help that is available to them.

These seminars are divided into four modules: government services, customs basics, goods and services tax, and income tax. The topics covered include the many services available throughout the federal government, information about starting up a business with respect to the administration of government legislation, the types of income to be reported and expenses that are allowed, maintaining records, calculating the GST input tax credit, importing and exporting processes, filing requirements, and rights and obligations.

Revenue Canada works in co-operation with the provinces to offer these seminars throughout the year on a modular basis, days or evenings. There is no charge for this service. The total time for all four modules is 6.5 hours.

Appendix A. Some Revenue Canada publications

Customs

- Automated Customs Information System (ACIS)
- Bringing Back Goods from Mexico in 1995
- Bringing Back Goods from the United States in 1995
- *CANPASS* (leaflet)
- CANPASS Participant's Guide
- Country-of-Origin Marking
- Entering Canada to Study or to Work
- I Declare
- Importations by Mail
- Importing a Firearm or Weapon into Canada
- Importing Commercial Goods into Canada
- Importing a Motor Vehicle Into Canada
- International Project Return
- Line Release, A Customs 2000 Initiative (leaflet)
- Line Release, A Customs 2000 Initiative (brochure)
- Moving Back to Canada
- NAFTA Customs Manual
- Office Consolidation of the Customs Tariff
- PACE (leaflet)
- PACE Participant's Guide
- Revenue Canada Customs, NAFTA Advance Rulings Program
- Revenue Canada Customs, NAFTA Origin Redetermination Requests by Exporters or Producers
- Revenue Canada Customs, NAFTA Rules of Origin
- Seasonal Residents
- Self-Declaration System User Guide
- Settling in Canada
- Trilateral Customs Guide to NAFTA

Excise/GST

GST pamphlets and booklets

- · Administration of the Goods and Services Tax in the Province of Quebec
- Basic Information for Charities
- Basics for Farmers
- Basics for Fishermen
- Basics for Owners of Bed and Breakfast Accommodations
- Basics for Restaurateurs and Food Vendors
- Basics for Self-Employed Construction Tradespeople
- Basics for Self-Employed Craftspeople

- Basics for Self-Employed Hairstylists, Beauticians and Barbers
- Basics for Self-Employed Performing Artists
- · Basics for Self-Employed Truck Owners and Operators
- Federal Excise Gasoline Tax Refund Program
- GST: The Basics for Taxi and Limousine Operators
- Information for Non-Resident Tour Operators
- Information on Tax Relief for Indians and Bands on Certain Settlements
- Publications
- Simplifying the GST for Small Businesses
- Tax Refund for Visitors
- The Quick Method of Accounting Guide and Election Form
- The Simplified Methods for Claiming Input Tax Credits and Rebates

GST guides

- Completion Guide and Form for Employee and Partner GST Rebate
- Completion Guide and Form for General Rebate Application
- · Completion Guide and Form for New Housing Rebate
- Completion Guide and Form for Non-Registrant Public Service Bodies' Rebate
- Completion Guide and Form for Registrant Public Service Bodies' Rebate
- Doing Business in Canada: A Guide for Non-Residents
- Elections and Applications
- General Information for GST Registrants
- GST Tax Return for Registrants
- Information for Charities
- Information for Employers on Employee Benefits
- Information for Freight Carriers
- Information for Health Care Professionals
- Information for Municipalities
- Information for Non-Profit Organizations
- Information for Providers of Accommodations and Meeting Facilities
- Information for Residential Builders and Land Developers
- Information for the Non-Residential Construction Industry
- Information for Travel Agencies and Tour Operators
- Should I Register?

Income taxes

Tax guides

- Business and Professional Income
- Capital Gains
- Computer Specifications for Data Filed on Magnetic Media
- Employers' Guide to Payroll Deductions: Basic Information
- Employers' Guide to Payroll Deductions: Taxable Benefits and Non-Resident Information
- Employment Expenses
- Farming Income
- Fishing Income
- General Income Tax Guide
- Guide for Payers of Non-Resident Tax
- International Students and Teachers in Canada
- Non-Profit Organization (NPO) Information Return and Guide
- Northern Residents Deductions
- Pension Adjustment Calculation Guide
- Preparing Returns for Deceased Persons
- Rental Income
- Are you Staying in Canada Temporarily?
- RRSPs and Other Registered Plans for Retirement
- T2 Corporation Income Tax Guide
- T3 Guide and Trust Return
- T4RSP and T4RIF Guide
- Your Guide to the Charity Information Return

Tax pamphlets

- Alimony or Maintenance
- Are You Moving?
- Calculating Your 1994 RRSP Deduction Limit
- Canadian Residents Abroad
- Canadian Residents Going Down South
- Electronic Filing (EFILE)
- Electronic Filing Applicant's Kit
- Emigrants
- Gifts and Income Tax
- Home Buyers' Plan For 1995 Participants
- Newcomers to Canada
- Now that you have used EFILE...
- · Paying Your Income Tax by Instalments
- Students and Income Tax
- Tax Information for People with Disabilities
- Using Your Home for Day Care
- When You Retire
- Your Child Tax Benefit

Revenu Canada

COURTEOUS TREATMENT. **OBLIGATIONS IS TO HELP** YOU ARE ENTITLED TO A COMPLAINT IS ONE OF FAIR HANDLING OF A YOUR FUNDAMENTAL RIGHTS. ONE OF OUR YOU EXERCISE YOUR FAIR HEARING AND

YOU ARE ENTITLED TO MANY OTHER RIGHTS UNDER THE LAWS OF

CANADA.

KNOW YOUR RIGHTS AND YOU ARE ENTITLED TO TO INSIST THAT THEY BE RESPECTED.

OF TAXPAYER RIGHTS DECLARATION

IN YOUR DEALINGS WITH REVENUE CANADA ON INCOME TAX MATTERS, YOU HAVE IMPORTANT RIGHTS

You are entitled to complete and accurate information about the Income Tax Act, the entitlements it allows you, and the obligations it imposes on you.

Impartiality

the law. It is our job to collect only the correct amount of You are entitled to demand impartial application of tax, no more and no less.

Courtesy and consideration

You are entitled to courteous and considerate treatment in information or arranging for an interview or an audit. all your dealings with us, whether we are requesting

Presumption of honesty

You are entitled to be presumed honest unless there is evidence to the contrary.

Privacy and confidentiality

and financial information you provide us only for purposes You are entitled to expect that we will use the personal the law allows.

Impartial review

You are entitled to object to an assessment if you believe you have been treated unfairly. You must exercise this right objection, we will conduct an impartial review of your file. within a specific period. Once you have filed a notice of If the matter is not resolved to your satisfaction, you can appeal to the courts.

Disputed amounts

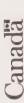
on your objection. If you appeal to a higher court, you can extent the law allows, until our officers or a court decides You are entitled to withhold disputed amounts, to the put up security instead of paying the disputed amounts.

Bilingual service

You are entitled to service in the official language of your

YOU HAVE THE RIGHT TO EVERY BENEFIT THE LAW ALLOWS

You are entitled to arrange your affairs to pay the least amount of tax the law allows. We are committed to applying the tax laws in a consistent and fair manner. We will be firm with those who are guilty of tax evasion.



Appendix C. Income tax offices

In Nova Scotia, N 1-800-565-0540 d	ommunication Device for the Deaf (TDD)— ew Brunswick, and Prince Edward Island, TDD users can call furing hours of service. rrs can call 1-800-665-0354 during hours of service.	Hours of service — Monday to Friday, 8:15 a.m. to 5:00 p.m. (except holidays)		
			Business	Requests
Province Newfoundland	District taxation offices St. John's – Sir Humphrey Gilbert Building, P.O. Box 5968,	General enquiries 772-2610	enquiries 772-4068	for forms 772–5088
No. of Fide and	NF A1C 5X6	1-800-563-2600	1-800- 563-9330	1-800-563-2600
Prince Edward Island	Charlottetown - 94 Euston Street, P.O. Box 8500, PE C1A 8L3	628–4200 1–800–884–5711	628-4227 1-800-872-5414	628-4250 1-800-245-9922
Nova Scotia	Halifax – 1256 Barrington Street, P.O. Box 638, NS B3J 2T5	426-2210 1-800-565-2210	426–2577 1–800–663–2577	426-2210 1-800-565-2210
	Sydney – 47 Dorchester Street, P.O. Box 1300, NS B1P 6K3	564-7080 1-800-563-7080	564-7122 1-800-563-7122	564-7120
New Brunswick	Bathurst – 120 Harbourview Boulevard, 4th floor, P.O. Box 8888, NB, E2A, 41, 8	548-7100	636-5314	1-800-563-7120 548-7100
Dialidwick	Saint John – 126 Prince William Street, NB E2L 4H9	1-800-561-6104 636-4600	1-800-363-1052 636-5314	1-800-561-6104 636-4618
Quebec	Chicoutimi – 100 Lafontaine Street, Suite 211, QC G7H 6X2	1-800-222-9622 698-5580	1-800-363-1052 (418) 649-3277	1-800-332-6022
	Laval – 3131 St. Martin Boulevard West, QC H7T 2A7	1-800-463-4421 956-9101	956–6705	1-800-463-4421
		1-800-363-2218	1-800-363-2218	956-9115 1-800-363-2218
	Montréal - 305 René-Lévesque Boulevard West, QC H2Z 1A6	283–5300 1–800–361–2808	283-5328 1-800-361-2808	283–5623 1–800–361–2808
	Québec – 165 de la Pointe-aux-Lièvres South, QC G1K 7L3	648–3180 1–800–463–4421	649–3277 (418) 649–3277	648-4083 1-800-463-4421
	Rimouski - 320 St. Germain East, 4th floor, QC G5L 1C2	722-3111 1-800-463-4421	(418) 649–3277	1-800-463-442
	Rouyn-Noranda – 44 du Lac Avenue, QC J9X 6Z9	764–5171 1–800–567–6403	1-800-363-2218	764-5171 1-800-567-6403
	Sherbrooke - 50 Place de la Cité, QC J1H 5L8	564-5888	821-8504 1-800-567-7372	821-8565
	Saint-Hubert - 5245 Cousineau Boulevard, Suite 200, QC	1-800-567-7360 283-5300	445-5268	1-800-567-7360
	J3Y 7Z7 Trois-Rivières – 25 des Forges Street, Suite 111, QC G9A 2G4	1–800–361–2808 373–2723	1-800-361-2808 1-800-567-7372	1-800-361-2808 373-2723
Ontario	Belleville – 11 Station Street, ON K8N 2S3	1-800-567-9325 969-3706	391–2727	1-800-567-9325 969-3707
		1-800-267-8030	1-800-267-8030	1-800-267-8043
	Hamilton – 150 Main Street West, P.O. Box 2220, ON L8N 3E1 From area code 519 and 905:	(905) 522–8671 1–800–263–9200 1–800–263–9210	572-2917 (905) 572-2917	(905) 572–2609 1–800–862–6840
	Kingston – 385 Princess Street, ON K7L 1C1	545–8371 1–800–267–9447	545-8371 1-800-267-9447	1-800-267-8043
	Kitchener – 166 Frederick Street, ON N2G 4N1	579–2230 1–800–265–2530	570–7453 (519) 570–7453	579-8951 1-800-265-2210
	London – 451 Talbot Street, ON N6A 5E5	645-4211	645-4493	645-4244
	Mississauga - 77 City Centre Drive, P.O. Box 6000, ON	1-800-265-4900 (905) 566-6700	1-800-265-4900 (905) 566-6155	1-800-265-4900 (905) 566-6005
	L5A 4E9 From area codes 519, 705 and 905:	1-800-387-1700	*	1-800-387-1700
	North York – 5001 Yonge Street, Suite 1000, ON M2N 6R9 From area codes 519, 705 and 905:	(416) 221–9309 1–800–387–1700	(416) 221-7281	(416) 221–8492 1–800–387–1700
	Ottawa – 360 Lisgar Street, ON K1A 0L9 From area code 613:	598-2275 1-800-267-8440	(613) 941–2019	957–8088 1–800–959–2221
	From area code 819: Peterborough – 185 King Street West, ON K9J 8M3	1-800-267-4735 876-6412 1-800-267-8030	(613) 391–2727	1-800-267-8043
	St. Catharines – 32 Church Street, P.O. Box 3038, ON L2R 3B9	688–4000 1–800–263–5672	984–2259 (416) 984–2259	688-4000 1-800-263-5672
	Scarborough - 200 Town Centre Court, ON M1P 4Y3	(416) 296-1950	(416) 973-6960	(416) 296-0104
	From area codes 416, 905: From area codes 519, 705:	1-800-387-5229 1-800-387-5183	1–800–387–5229 1–800–387–5183	1-800-387-5229 1-800-387-5183
	Sudbury – 19 Lisgar Street South, ON P3E 3L5 From area code 705: From area codes 613 and 807:	(705) 671–0581 1–800–461–4060 1–800–461–6320	671–0541 (705) 671–0541 (705) 671–0541	671–0581 1–800–461–4060 1–800–461–6320
	Thunder Bay – 130 South Syndicate Avenue, ON P7E 1C7	623–3443 1–800–465–6981	(807) 625-7074	623–2751 1–800–465–6981
	Toronto - 36 Adelaide Street East, ON M5C 1J7	869–1500 (416) 869–1500	973–3071 (416) 973–3071	865-9469 (416) 865-9469
	Windsor – 185 Ouellette Avenue, ON N9A 5S8	258–8302 1–800–265–4841	973–7904 1–800–265–4841	258-8302 1-800-265-4841

Telecommunication Device for the Deaf (TDD) — In Nova Scotia, New Brunswick, and Prince Edward Island, TDD users can call 1-800-565-0540 during hours of service. All other TDD users can call 1-800-665-0354 during hours of service.		Hours of service — Monday to Friday, 8:15 a.m. to 5:00 p.m. (except holidays)		
Province	District taxation offices	General enquiries	Business enquiries	Requests for forms
Manitoba	Winnipeg – 325 Broadway, MB R3C 4T4	983-6350 1-800-282-8079	983-6350 1–800–282–8079	983–3942 1–800–282–8079
Saskatchewan	Regina – 1955 Smith Street, SK S4P 2N9	780-6015 1-800-667-7555	780-6075 (306) 780-6075	780–6015 1–800–667–7555
	Saskatoon - 340 - 3rd Avenue North, SK S7K 0A8	975-4595 1-800-667-2083	975-4643 1800-667-2083	975–4577 1–800–772–1644
Alberta	Calgary – 220 – 4th Avenue South East, AB T2G 0L1 From southern Alberta:	(403) 221-8919 1–800–332–1410	691-6567 (403) 691-6567	221-8900 1-800-472-9701
	Edmonton – 9700 Jasper Avenue, Suite 10, AB T5J 4C8 From northern Alberta: From northeastern B.C. and Northwest Territories:	(403) 423-3510 1–800–232–1966 1-800–232–1966	(403) 495-3624 1–800–879–8265 1–800–879–8265	(403) 423–4044 1–800–661–4597 1–800–661–4597
British Columbia	Penticton – 277 Winnipeg Street, BC V2A 1N6	492-9200 1-800-565-5125	(604) 492–9285	492–9200 1–800–663–5065
	Vancouver – 1166 West Pender Street, BC V6E 3H8 From northwestern B.C. and the Yukon Territory:	(604) 689-5411 1-800-663-9033	(604) 669-8367 1–800–663–1511	(604) 669–1033 1–800–663–1665
	Victoria – 1415 Vancouver Street, BC V8V 3W4	363-0121 1-800-742-6108	(604) 363–3474	363–3291 1–800–663–7006

Taxation centres	Problem Resolution Program	Assistant Director, Individual and Estate Returns	Director	Fax number
St. John's	(709) 772–0271 1–800–563–3131	(709) 772–2218	(709) 772–0279	(709) 754–3416
Jonquière	(418) 548–9171 1–800–263–1485	(418) 548–0831 1–800–561–6307	(418) 699–0540 1–800–263–1485	(418) 548–0846
Shawinigan-Sud	(819) 537–9381 1–800–263–4888	(819) 536–6284	(819) 536–6200 1–800–263–4888	(819) 536–7078
Ottawa	(613) 941–3333 1–800–461–5018	(613) 954–9665	(613) 954–9622	(613) 739–1147
Sudbury	(705) 671–0317 1–800–661–7419	(705) 670–5564 1–800–661–7419	(705) 670–5563	(705) 671–3994
Winnipeg	(204) 984–2469 1–800–565–3439	(204) 984–3425	(204) 984–2470	(204) 661–6989
Surrey	(604) 585–7318 1–800–661–1950	(604) 585–5001 1–800–661–1950	(604) 589–2763	(604) 585–5769

International Taxation Office	Gener	al enquiries	Problem Resolution Program	Director	Fax number
	Local calls	Long distance calls			
2540 Lancaster Road, Ottawa, ON K1A 1A8					
Calls from the Ottawa area Calls from within Canada and the	952–3741		(613) 526–6482		
United States Calls from outside Canada and the		1-800-267-5177	1-800-661-4985	(613) 526–6477	(613) 941–2505
United States		(613) 952-3741			

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Appendix D. Excise/GST offices

ENUE CANADA OFFICI	3	ENQUIRIES ABOUT THE GST AND C	OTHER EXCISE TAN
		LOCAL	TOLL-FREE
QUEBEC (Only for enquiries on	taxes imposed by the Excise Tax Act other than the GST)		Toll-free
Montréal	Regional Excise and GST Liaison Office		number for Quebec
	400 Place d'Youville, 8' étage H2Y 2C2	(514) 283-6644	1-800-667-3232
Québec	Regional Excise and GST Liaison Office		
NEWFOUNDLAND	2nd Floor, 325 Marais Street, Ville Vanier G1M 3R3	(418) 648-5100	
St. John's	04.51		If you are calling from
	8th Floor, 215 Water Street, P.O. Box 5500 A1C 5W4	(709) 772-2851	outside a local area (to
NOVA SCOTIA			which long distance
Halifax .	2695 Dutch Village Road, P.O. Box 9306 B3K 5Z3	(902) 426-1975	charges apply) in any province except Queb
PRINCE EDWARD ISLAND			call toll-free
Charlottetown	49 Water Street, P.O. Box 1448 C1A 7N1	(902) 566-7272	1-800-463-6737
NEW BRUNSWICK		(302) 300-7272	
Moncton	Suite 107, 1600 Main Street, P.O. Box 1070 E1C 8P2		
Saint John		(506) 851-3727	
	580 Main Street, P.O. Box 6865, Station A E2L 4S3	(506) 636-4909	
ONTARIO			
Barrie	1st Floor, 99 Ferris Lane L4M 2Y2	· (705) 739-6000	
Hamilton	120 King Street W., 3rd Floor, P.O. Box 2588, LCD1 L8N 3K7	(905) 570-7110	
Kingston	99.3 Princess Street, P.O. Bag 2600 K7L 5P3	(613) 545-5500	
Kirkland Lake	145 Government Road West, P.O. Box 4500 P2N 3R5	(705) 568-4222	
London	148 Fullarton Street, P.O. Box 638, Station B N6A 4Y4	(519) 645-4154	
North Bay	180 Shirreff Avenue, P.O. Bag 4300 P1B 9B4	(705) 494-7000	
Ottawa	7th Floor, 1730 St. Laurent Blvd., P.O. Box 8257 K1G 3H7	(613) 990-8584	
Sault Ste. Marie	3rd Floor, Suite 301, 205 McNabb Street P6B 1Y3	(705) 945-5218	
St. Catharines	32 Church Street, P.O. Box 3038 L2R 3B9	(905) 988-5809	
Sudbury	19 Lisgar Street South P3E 3L5	(705) 671-0687	
Thunder Bay	130 Syndicate Avenue South P7E 1C7	(807) 623-1774	
Toronto Core	9th Floor, 375 University Avenue M5G 2J5	(416) 954-0473	
Toronto East	4th Floor, 305 Milner Road M1B 3V4	(416) 954-0212	
Toronto North	7th Floor, 4576 Yonge Street, North York M2N 6N4	(416) 954-3186	
Toronto West	3rd Floor, 90 Burnhamthorpe Road W. L5B 3C3	(905) 615-2102	
Waterloo	470 Weber Street N., P.O. Box 1617 N2J 4T4	(519) 725-3050	
Windsor	2nd Floor, 215 Eugenie Street W. N8X 2X7	(519) 250-2900	
MANITOBA			,
Brandon	725 Rosser Avenue. R7A 0K8	(204) 726-7800	,
Winnipeg	4th Floor, 280 Broadway Avenue, P.O. Box 1022 R3C 2W2	(204) 726-7600	
	4ti Floor, 200 Broadway Avenue, F.O. Box 1022 R3C 2VV2	(204) 903-4323	
ASKATCHEWAN			
Regina	2002 Victoria Avenue, P.O. Box 557 S4P 3A4	(306) 780-7279	
Saskatoon	Suite 600, 6th Floor, 123-2nd Avenue S. S7K 7E6	(306) 975-6130	
ALBERTA			
Calgary	Room 400, 555-4th Avenue S.W., P.O. Box 1290,		
	Calgary Central T2P 2L2	(403) 292-6990	
Edmonton,	15th Floor, 10001 Bellamy Hill Road T5J 4P5	(403) 421-8100	
Lethbridge	Room 301, 704-4th Avenue S., P.O. Bag 3009 T1J 4A9	(403) 382-3013	
Red Deer	4996-49th Avenue, P.O. Bag 5013 T4N 6A1	(403) 341-7006	
RITISH COLUMBIA			
Burnaby	201-4664 Lougheed Highway, P.O. Box 82060 V5C 2J3	(604) 666-4664	
Kelowna	Suite 200, 1835 Gordon Drive V1Y 3H5	(604) 470-6600	
Prince George	1441-7th Avenue, P.O. Box 7500 V2L 5N8	(604) 561-7800	
Vancouver	301-1385 West 8th Avenue, P.O. Box 33860, Station D V6J 5C9	(604) 775-5300	
Victoria	747 Fort Street V8W 3E9	(604) 773-3300	
	747 FOR SHEET YOW JE7	(00-7) 703-0300	
UKON			
Whitehorse	4th Floor, 4114-4th Avenue Y1A 4N7	(403) 667-8154	
NORTHWEST TERRITORIES		•	
Yellowknife	Room 902, 4920-52nd Street X1A 3T1	(403) 920-6650	

HEARING DISABILITY

If you are deaf or have a hearing disability and have access to a telephone device for the deaf, telephone 1-800-465-5770 (in Canada only).

REGULAR HOURS OF TELEPHONE AND COUNTER SERVICE

Monday to Friday – 8:00 a.m. to 5:00 p.m. (except holidays)

OTHER LANGUAGES

Some district offices offer help in languages other than English and French. Contact your local Revenue Canada district office for more details.

ENQUIRIES ABOUT THE GST MINISTÈRE DU REVENU DU QUÉBEC OFFICES Place-du-Centre, 200, promenade du Portage, 2' étage J8X 4B7 2154, rue Deschênes G7S 2A9 Jonquière 705, chemin du Trait-Carré H7N 1B3 Complexe Desjardins, C. P. 3000, succursale Desjardins H5B 1A4 Montréal 265A de la Couronne Street G1K 6E1 Québec 337 Moreault Street G5L 1P4 75 Monseigneur-Tessier Street West J9X 2S5 3800 de Marly Street G1X 4A5 456 Arnaud Street G4R 3B1 200 Belvédère Street North, Suite RC-05 J1H 4A9 101 du Roi Street, Sorel J3P 4N1 20 Queen Street West, Suite 1504, P.O. Box 13 M5H 3S3 100 Laviolette Street | G9A 559 For telephone enquiries, please call one of the following: (514) 873-4692 1-800-567-4692 Elsewhere in Quebec (Toll-free)

REVENUE CANADA EXCISE / GST OFFICES

IN THE UNITED STATES

STATE	EXCISE/GST OFFICE	STATE
Alaska	Revenue Canada	Alabama
Arizona	Regional Excise/GST Office	Florida
California	490-4800 Kingsway	Georgia
Hawaii	Burnaby, British Columbia	Illinois
Idaho	V5H 4J2	Indiana
Nevada	(604) 666-4664	Kentucky
Oregon		Michigan
Utah		Mississippi
Washington		Ohio
		Tennessee
Colorado	Revenue Canada	Wisconsin
Montana	District Excise/GST Office	
New Mexico	4th Floor Selkirk House	
Oklahoma	555-4th Avenue, S.W.	Connecticut
Texas	Calgary, Alberta	Delaware
Wyoming	T2P 2L2	District of Columbi
	(403) 292-6990	Maryland
		Massachuestts
Arkansas	Revenue Canada	New Hampshire
Iowa	District Excise/GST Office	New Jersey
Kansas	4th Floor	Rhode Island
Louisiana	280 Broadway Avenue	Vermont
Minnesota	P.O. Box 1022	
Missiouri	Winnipeg, Manitoba	
Nebraska	R3C 2W2	New York
North Dakota	(204) 983-4525	North Carolina
South Dakota	, ,	Pennsylvania
		South Carolina
Maine	Revenue Canada	Virginia
	District Excise/GST Office	o o
	580 Main Street	
	P.O. Box 6865	
	Station A	
	Saint John, New Brunswick	
	E2L 4S3	
	(506) 636-4909	

STATE	EXCISE/GST OFFICE
Alabama Florida Georgia Illinois Indiana Kentucky Michigan Mississippi Ohio Tennessee Wisconsin	Revenue Canada District Excise/GST Office 2nd Floor 215 Eugenie Street West Windsor, Ontario N8X 2X7 (519) 250-2900
Connecticut Delaware District of Columbia Maryland Massachuestts New Hampshire New Jersey Rhode Island Vermont	Revenue Canada District Excise/GST Office 7th Floor 1730 St. Laurent Blvd. P.O. Box 8257 Ottawa, Ontario K1G 3H7 (613) 990-8584
New York North Carolina Pennsylvania South Carolina Virginia	Revenue Canada District Excise/GST Office 9th Floor 375 University Avenue Toronto, Ontario M5G 2J5 (416) 954-0473

OUTSIDE OF THE UNITED STATES

LOCATION	EXCISE/GST OFFICE	LOCATION	EXCISE/GST OFFICE
Albania Austria Bulgaria Czech Republic Denmark Finland	Revenue Canada District Excise/GST Office 2695 Dutch Village Road P.O. Box 2900 Halifax, Nova Scotia B3L 4N5 (902) 426-1975	Asia Australia	Revenue Canada Regional Excise/GST Office 490-4800 Kingsway Burnaby, British Columbia V5H 4J2 (604) 666-4664
Germany Creece Holland Hungary Ireland Italy Norway Poland Portugal Romania Slovakia Spain Sweden United Kingdom Former Soviet Union Former Yugoslavia		France Luxembourg Switzerland Africa Central America Middle East and Gulf States South America West Indies All other countries	Revenue Canada District Excise/GST Office 7th Floor 1730 St. Laurent Blvd. P.O. Box 8257 Ottawa, Ontario K1G 3H7 (613) 990-8584

Appendix E. Regional customs offices

Region	Address	Telephone (public enquiries)
Atlantic	Customs Office Ralston Building 1557 Hollis Street Box 3080 Halifax NS B3J 3G6	(902) 426-2911
Quebec	Customs Office 130 Dalhousie Street P.O. Box 2267 Québec QC G1K 7P6	(418) 648-4445
	Customs Office 400 d'Youville Square Montréal QC H2Y 2C2	(514) 283-9900
Northern Ontario	Customs Office 2265 St. Laurent Blvd.	(613) 993-05340
	Ottawa ON K1G 4K3	613) 998-3326 (after 4:30 p.m. and weekends)
Southern Ontario	Customs Office P.O. Box 10	(416) 973-8022
	Station A ' 2nd Floor 1 Front Street W. Toronto ON M5W 1A3	(416) 676-3643 (weekends and holidays)
	Customs Office P.O. Box 2989	(905) 308-8715 and
	26 Arrowsmith Road Hamilton ON L8N 3V8	1-800-361-5603 (Hamilton Region only)
	Customs Office P.O. Box 2280, Station A Walkerville Post Office Windsor ON N8Y 4R8	(519) 257-6400
Prairies	Customs Office Federal Building 269 Main Street Winnipeg MB R3C 1B3	(204) 983-6004
	Customs Office 720 Harry Hays Building 220 – 4th Avenue, S.E. Calgary AB T2G 4X3	(403) 292-8750 (403) 292-4660
Pacific	Customs Office 333 Dunsmuir Street Vancouver BC V6B 5R4	(604) 666-0545

Appendix F. Communities with Government of Canada InfoCentres

Note: Unless otherwise indicated, the Government of Canada InfoCentres are located in Canada

Employment Centres (CEC) in the community.

Alberta

Camrose Drumheller

Edson

Fort McMurray

Grande Prairie

Lethbridge

Medicine Hat

Peace River

Red Deer

Slave Lake

St. Paul

British Columbia

Campbell River

Chilliwack

Courtenay

Cranbrook

Creston

Fernie

Fort St. John

Kitimat

Merritt

Nelson

Port Hardy

Prince George

Prince Rupert

Ouesnel

Sechelt

(CEC Sunshine Coast)

Squamish

(CEC Howe Sound)

Terrace

Trail

Vancouver

(Revenue Canada, Excise/GST

District Office)

Victoria

(Human Resources Development Canada, Income Security Programs)

Williams Lake

Manitoba

Brandon

Dauphin

Flin Flon

Morden

Portage La Prairie

Selkirk

Steinbach

The Pas

Thompson

Winnipeg

(Revenue Canada, Taxation Centre)

New Brunswick

Bathurst

Campbellton

Caraquet

Grand Falls

Moncton

Newcastle

Richibucto

Shediac

Saint John

(Revenue Canada, District

Taxation Office)

St. Stephen

Sussex

Tracadie

Woodstock

Newfoundland

Clarenville

Gander

Grand Falls

Happy Valley

Harbour Grace

Marystown

St. John's

(Human Resources Development, Income Security Programs)

Stephenville

Northwest Territories

Yellowknife

Nova Scotia

Amherst

Dartmouth

Digby

Glace Bay

Halifax

(Revenue Canada, District

Taxation Office)

Middleton

New Glasgow

North Sydney

Pictou

Port Hawkesbury

Shelburne

Sydney

(Revenue Canada, District Taxation Office)

Ontario

Arnprior

Barrie

(Human Resources Development Canada, Income Security Programs)

Belleville

(Revenue Canada, District

Taxation Office)

Blind River

Bracebridge

Brampton

Brantford

Brockville

Burlington

Cambridge

Carleton Place

Chatham

Chelmsford

Cobourg

Cochrane

Collingwood

Cornwall

Don Mills

Downsview

Dryden

Dunnville

Elliot Lake

Linut Lake

Espanola

Exeter

Fort Erie

Fort Frances

Gananoque

Georgetown

Geraldton

Gloucester

(CEC Ottawa East)

(CEC Ottawa East

Goderich

Guelph Hamilton

(Revenue Canada, District

Taxation Office)

Hawkesbury

Hearst

Kapuskasing

Kenora

Kingston

(Human Resources Development Canada, Income Security Programs)

Kirkland Lake

Kitchener

Leamington

Lindsay

Listowel

Marathon

Markham

Midland

Milton

Mississauga

(Human Resources Development Canada, Income Security Programs)

Nepean

(CEC Ottawa West)

New Liskeard

Newmarket

Niagara Falls

North Bay

North York

(Human Resources Development Canada, Income Security Programs)

Oakville

Orangeville

Orillia

Ottawa

(CEC Ottawa Centre)

Ottawa

(CEC Ottawa South)

Owen Sound

Pembroke

Perth

Peterborough

(Human Resources Development Canada, Income Security Programs)

Pickering

Picton

Port Colborne

Prescott

Renfrew

Rexdale

Richmond Hill

(CEC York)

Sarnia

Sault Ste. Marie

Scarborough

(CECs in three locations)

Simcoe

Smiths Falls

St. Catharines

St. Thomas

Stoney Creek

Stratford

Strathroy

Sturgeon Falls

Sudbury

Sudbury

(Revenue Canada, District

Taxation Office)

Thunder Bay

Tillsonburg

Timmins

(Human Resources Development

Canada, Income Security Programs)

Toronto

(CEC Toronto East)

Toronto

(Revenue Canada, District

Taxation Office)

Toronto

(CEC Toronto South)

Toronto

(CEC Toronto Dufferin)

Toronto

(CEC Parkdale)

Toronto

(CEC Etobicoke)

Toronto

(CEC High Park)

Toronto

(CEC Toronto Centre)

Trenton

Walkerton

Wallaceburg

Welland

Weston

Windsor

Woodstock

Prince Edward Island

Charlottetown

(Revenue Canada, District Taxation Office)

Montague

O'Leary

(CEC West Prince Regional)

Souris

Summerside

Quebec

Alma

Amos

Asbestos

Baie-Comeau

Berthierville

Buckingham

Campbell's Bay

Cap-aux-Meules

Causapscal

Chandler

Châteauguay

Chibougamau

Coaticook

Cowansville

Dolbeau

Donnacona

Drummondville

East Angus

Forestville

Gaspé

Gatineau

(Human Resources Development Canada, Income Security Programs)

Granby

Grand-Mère

Hull

Joliette

Jonquière

La Malbaie

La Pocatière

La Sarre

La Tuque

Lac Mégantic

Lachute

Lévis

Louiseville

Magog

Maniwaki

Matane

Mont-Laurier

Montmagny

New Richmond

Pointe-Claire

Port Cartier

Québec

(Human Resources Development Canada, Income Security Programs)

Rimouski

(Human Resources Development Canada, Income Security Programs)

Rivière-du-Loup

Rouyn-Noranda

Sacré-Coeur

Senneterre

Sept-Îles

Shawinigan

Sorel

St-Grégoire

St-Hubert

St-Hyacinthe

St-Jean

St-Jérôme

St-Romuald

Ste-Agathe

Ste-Anne-des-Monts

Ste-Marie-de-Beauce

Thetford Mines

Valleyfield

Victoriaville

Ville-Marie

Ville St-Georges

Saskatchewan

Buffalo Narrows

Estevan

La Ronge

Lloydminster

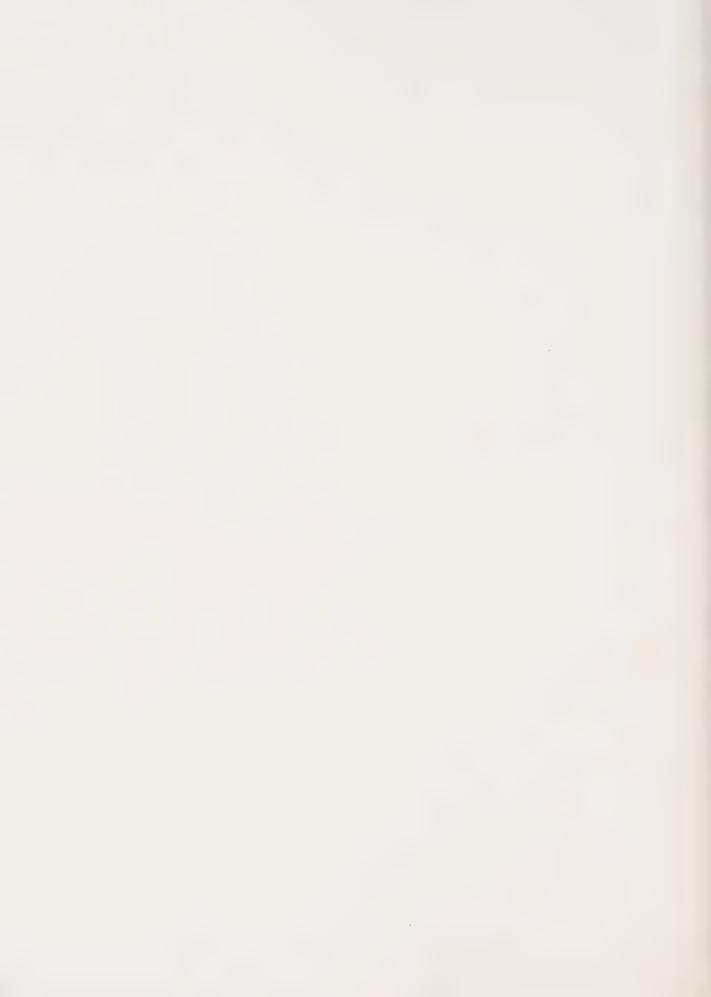
Melville

North Battleford

Swift Current

Yorkton





Lacking 1996





Revenu Canada



Government Publications

Index to Revenue Canada Services



Please note

Information in this publication is up to date as of October 1996.

This document uses plain language to give readers an overview of Revenue Canada services. It is provided for information purposes only and does not replace the law.

La version française de cette publication est intitulée Répertoire des services offerts par Revenu Canada.

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Foreword

This publication provides an outline of Revenue Canada's programs and services.

At Revenue Canada, we serve millions of Canadians each year. We have a diverse clientele which includes individual and business taxpayers, goods and services tax registrants, travellers, importers, exporters and their agents, and the general public.

CODING TOMAN

Canadians have the right to expect quality service from us, and are entitled to be served in the official language of their choice. Whether clients are filing a tax return, claiming a credit, clearing customs, importing or exporting goods, or collecting and remitting the goods and services tax (GST), we are committed to providing the best possible service at an affordable cost.

At Revenue Canada, providing quality service means doing our best to help clients meet their obligations and receive their due entitlements. We are dedicated to helping our clients exercise their rights and meet their obligations with ease. We are also committed to enforcing the laws and regulations for which we are responsible. We believe that, by doing this, we maintain public confidence in the integrity of our administration and Government institutions. Canadians expect and deserve no less.

At Revenue Canada, we want to hear from our clients. Those wishing to offer their views or suggestions can write to:

Communications Branch Revenue Canada Ottawa ON K1A 0L5



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The Department's mandate

At Revenue Canada, our responsibilities include:

- revenue generation;
- trade facilitation:
- customs border services; and
- income redistribution.

We work on behalf of the federal, provincial, and territorial governments as well as individuals and businesses to support Canada's social and economic progress.

We oversee various tax credit programs and collect federal and some provincial income taxes, the goods and services tax (GST), Canada Pension Plan contributions, Employment Insurance premiums, and customs and excise duties. As well, we collect excise taxes and, for provinces with agreements with the federal government, we collect provincial sales tax, tobacco taxes, liquor markups, and levies on non-commercial imports.

We also administer the border and trade aspects of the North American Free Trade Agreement (NAFTA), and the World Trade Organization (WTO), as well as administering Canada's international tax agreements with other countries.

Finally, we work in partnership with law enforcement agencies and other federal departments to protect Canadians and society as a whole by preventing illegal and dangerous goods and inadmissible people from entering Canada, and monitoring the movement of controlled and regulated goods.

We continually strive to deliver our programs and services effectively, fairly, and at the lowest possible cost. Our goals are to:

- provide services that are accessible and responsive at an affordable cost;
- increase the effectiveness of our enforcement programs in a fair and responsible manner;

- streamline and simplify our legislation, programs, and operations to improve service and reduce the cost and burden of compliance;
- ensure that our employees have the knowledge, skills, information, and support to work effectively and professionally in an environment that promotes and recognizes exemplary performance; and
- ensure that our corporate policies, systems, and processes provide effective support for our program initiatives and service delivery, and enable us to respond promptly to changing government priorities.

Note

At Revenue Canada, we administer customs and tax legislation. The Department of Finance is responsible for developing tax policy and for the wording of tax legislation.

Fairness provisions

On occasion, extraordinary circumstances beyond clients' control prevent them from complying with legal requirements to pay income tax, goods and services tax, and customs duties and taxes.

Since December 1991, fairness provisions have allowed for the discretionary cancellation, reduction, or waiver of penalties and interest that we have assessed. These fairness provisions provide us with a proper basis for exercising discretion when applying such charges would be unreasonable or unfair.

The provisions also allow us to issue refunds to individuals and testamentary trusts for 1985 and later tax years, or to apply the refund to amounts owing. Previously, clients had to make claims within three years of the end of the tax year concerned. This time limit has been changed so that we have to receive the refund request no later than three years after the date of the original *Notice of Assessment*.

Clients can also, in specific circumstances, make a late or amended election, or revoke an original election.

The fairness provisions allow us to help clients resolve problems that arise through no fault of their own. They also allow for a common-sense approach in dealing with clients who, because of personal misfortune or circumstances beyond their control, are unable to comply with the legislation we administer.

Examples of circumstances beyond a client's control include:

- natural or human-made disasters, such as flood or fire;
- civil disturbance or disruptions in services, such as a postal strike;
- serious illness or accident; or
- serious emotional or mental distress, such as the death of an immediate family member.

Clients should address requests involving these provisions to their tax services offices.

Addresses and telephone numbers appear in Appendix C, and are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Fiscal responsibility

At Revenue Canada, we advance the Government's broader economic and social agenda, by helping to maintain the integrity of the Government's resource base and ensuring that all Canadians pay their fair share of tax. Our comprehensive compliance strategy includes initiatives to combat the underground economy, improve our audit function, and enhance our anti-smuggling initiatives.

We develop compliance strategies on sectoral, industrial, occupational, and geographic bases, and they include verification, service, and enforcement activities. These strategies help identify compliance problems, and combine information and education to reduce the cost of

compliance, clarify the law, and suggest legislative changes.

Through our integrated collections strategy, we continue to identify opportunities to reengineer the collections function and strengthen our administration of the fairness provisions.

Our commitment to fiscal responsibility balances effective enforcement actions with respect for the rights of the individual. This means informing our clients of their obligations under the law, providing them with information and opportunities to comply voluntarily, encouraging self-assessment, and taking selective enforcement action in a fair, responsible, and professional manner.

Privacy and confidentiality

We at Revenue Canada take steps to ensure that clients' personal and financial information is kept confidential. We cannot give this information to anyone outside the Department unless authorized by either the client or the law.

To ensure that clients' personal information remains confidential and is not released to unauthorized people, we require written authorization before we provide information to tax practitioners and other representatives, including Members of Parliament.

Business clients must provide us with a completed Form RC59, *Business Consent Form*, to authorize the disclosure of GST- or incometax-related information. Individual clients have to submit a completed Form T1013, *Consent Form*, before we will release confidential income tax information.

Clients can also use a letter of authorization to designate a representative for income tax, GST, and excise tax. The letter should contain the same information required in the previously mentioned forms.

Rights of the taxpayer

We consider it a priority to ensure that all individuals understand and honour their obligations, and that our clients receive all their entitlements.

Declaration of Taxpayer Rights

The self-assessment system works only if clients have full and timely information about the law, if they are treated fairly and courteously, and if the information they provide about their affairs is held in confidence.

We were the first modern income tax administration in the world to formally proclaim the rights of taxpaying Canadians in a *Declaration of Taxpayer Rights*.

The declaration consolidates certain rights found in the *Charter of Rights and Freedoms*, in statutes, and in common law. It summarizes our commitment to treating clients fairly, courteously, and with respect for their rights. See Appendix B for the complete text of the declaration.

Double taxation issues

Sometimes Canadian residents, whether individuals or corporations, as well as non-residents subject to Canadian tax, find their income taxed by both Canada and the tax authority of another country.

Canada has tax treaties with more than 50 countries. One of the main purposes of these treaties is to avoid double taxation. To resolve double taxation with countries with which Canada has a treaty, clients can request **competent-authority** consideration from Revenue Canada's International Tax Directorate, 875 Heron Road, Ottawa ON K1A 0L5.

In most cases, the competent authorities of the two countries use this process to reach an agreement to avoid double taxation. Clients should note that this process is separate from any right of appeal they have under the domestic legislation of either Canada or the other country.

If difficulties or doubts arise in interpreting or applying a particular treaty, clients should consult Revenue Canada's Policy and Legislation Branch, 875 Heron Road, Ottawa ON K1A 0L5.

Rights of the traveller and the importer

We want the experience of returning to Canada from abroad to be as pleasant as possible for the travelling public. If clients encounter difficulties with the customs process, they should speak to the supervisor on duty who, in many cases, can resolve their concerns immediately.

Occasionally, situations arise that require a more formal process. If clients disagree with the amount of duties and taxes they paid, they can contact their customs border services office. A consultation can often resolve the issue quickly and without cost. If they are still not satisfied, customs staff will tell them how to make a formal appeal.

Disputes of duties and taxes payable

In partnership with our clients, we try to move imported goods into Canada as quickly and easily as possible. We process approximately 10 million entries a year and, for the most part, duties and taxes on these goods are dispute-free.

However, from time to time, importers disagree with decisions we make. In these cases, the *Customs Act* provides for administrative and judicial reviews of those decisions. If importers have a reason to dispute a decision on the duties and taxes they paid, they can contact the customs office where the goods were accounted for. Consultations with the customs office often resolve the issue quickly and at no cost. If the initial consultation is not satisfactory, customs staff can inform importers about the formal appeal process.

Legislative review process for seizures and forfeitures (assessments)

When travellers or commercial importers do not report goods, or report goods falsely to customs, the *Customs Act* allows us to seize the goods. In cases where the goods have already been consumed domestically or cannot be found, we can assess an amount of money in lieu of a seizure.

Clients can ask our Adjudications Division to review an action taken in these situations within 30 days of the date of the seizure or the service of notice (assessment in lieu of seizure). If clients do not ask for a ministerial review of the seizure or assessment within this time, their claims will be legally disqualified.

During the ministerial review, an adjudicator thoroughly reviews the facts of the case and the client's representations before recommending a final decision. The adjudicator evaluates the legality of the seizure, ensures the terms of the assessment are in keeping with departmental policy, and considers all mitigating factors.

The Adjudications Division then decides on the case on behalf of the Minister. The division also informs the client whether we will uphold or overturn the seizure or assessment, and whether we will maintain, eliminate, or reduce the amount of the assessment.

Once we issue a decision, we have no further authority to review the case. This is also the final level of review for the Minister of National Revenue.

If clients do not agree with a ministerial decision, they can appeal it to the Federal Court – Trial Division within 90 days of the date of the decision.

Clients must submit all requests for a ministerial review in writing to the customs office where the seizure took place, or to the following address: Adjudications Division Trade Administration Branch Revenue Canada Ottawa ON K1A 0L5 Tel: (613) 954-7273

Voluntary compliance

We have designed programs and services to encourage voluntary compliance—the cornerstone of Canada's self-assessment system. We combine education and service to the public with a comprehensive program of responsible enforcement to maintain public confidence in the integrity of the system.

We encourage voluntary compliance by:

- providing information and help to clients to ensure they understand their rights and obligations, and are able to comply with the law;
- consulting continually with the private sector, individuals, and organizations on ways to streamline procedures to make compliance as simple as possible;
- identifying areas of non-compliance to ensure that everyone, including non-residents, pays a fair share of tax; and
- recommending legislative changes to support the Government's commitment to ensuring the fairness of the tax system for everyone.

In addition, we encourage taxpayers to voluntarily correct any omissions in their past dealings with us. People who have never filed, or who stopped filing, income tax returns for one or more years, or registrants who have never filed, or who stopped filing, GST returns, can file these returns voluntarily. As well, clients who sent us incomplete returns can provide the missing information. Canadians who move goods internationally can come forward and correct any deficiencies in their reports to customs.

Clients making voluntary disclosures will only have to pay what they owe plus interest. We will not prosecute clients, or impose any other civil penalties, as long as the client discloses the information before we begin an audit, investigation, collection, or other enforcement action, including a request to file a return.

When a client cannot pay the balance owing in full, we will try to work out a mutually satisfactory payment arrangement, based on the client's ability to pay.

We encourage clients with financial hardship to contact their Revenue Canada offices to make payment arrangements or discuss changes to existing arrangements.

Automated information systems Automated Customs Information Service (ACIS)

The Automated Customs Information Service (ACIS) is a computer-based system that automatically answers incoming telephone enquiries and provides recorded information on a wide variety of customs-related topics. Callers using ACIS during office hours can transfer their calls to a customs officer if they need more specific information. ACIS is available in both official languages 24 hours a day.

The system has information on personal imports and travellers' exemptions, commercial imports and exports, Form E14, *Customs Postal Import Form*, personal and commercial postal imports, CANPASS, the North American Free Trade Agreement, and customs news and current events.

Clients can access ACIS in the following cities by calling these numbers:

Calgary Edmonton	(403) 292-8750 (403) 495-3400
Halifax	(902) 426-2911
Hamilton	(905) 308-8715
Moncton	(506) 851-7020
Montréal	(514) 283-9900
Ottawa	(613) 993-0534
Québec	(418) 648-4445
Toronto	(416) 973-8022
Vancouver	(604) 666-0545
Windsor	(519) 257-6400
Winnipeg	(204) 983-6004

Clients can also call toll free from other locations in Canada by dialling **1-800-461-9999**.

Customs, excise, and GST electronic information service

Through a toll-free number (1-800-267-5979), clients can reach our bulletin board and access the following types of information:

customs D memoranda;

- customs notices;
- news and announcements on the goods and services tax (GST) as well as excise duties, excise taxes, and special levies;
- GST questions and answers;
- a directory of tax services offices; and
- a listing of prescribed rates of interest.

Clients need only a personal computer with a modem and communications software with the following setup:

- baud rate 28,800 (maximum)
- terminal ANSI BBS
- local echo off

Electronic Document Distribution System (EDDS)

Clients can get electronic copies of many of our forms and publications from the Electronic Document Distribution System (EDDS)—a bulletin board available through telecommunication lines.

EDDS has all of our income tax guides, forms, information circulars, interpretation bulletins, advance tax rulings, and pamphlets; all news releases; excise duties and taxes forms, notices, circulars, and memoranda; some GST publications and forms; and some customs publications and forms. Documents are often available on EDDS up to six weeks before we distribute printed copies. Clients with access to EDDS can then redistribute our forms and information electronically, or reformat the information for their own publications without having to rekey it.

Access to EDDS is through The Net, a nation-wide public network operated by Mediatel, a Bell Canada subsidiary. For information on user fees and how to subscribe, clients can call Mediatel at 1-800-267-8480.

Internet access

Since 1994, we have been making publications and forms available on the Internet. Clients can access general information about the Department, and most of our publications, including interpretation bulletins; pamphlets; excise duties and taxes forms, notices, circulars, and memoranda; and income tax rulings. In addition, the Internet has on-line versions of most forms available to the public, most news releases, and the interactive tables on diskette (TOD) program which the public can download.

The Uniform Resource Locator (URL) for Revenue Canada's World Wide Web (WWW or web) service is:

http://www.rc.gc.ca

Due to security and confidentiality requirements, we do not accept requests or questions through the Internet. For information, clients can contact their tax services offices. The addresses and telephone numbers are listed in Appendix C, and under "Revenue Canada" in the Government of Canada section of the telephone book.

NAFTA electronic information service

This bulletin board can be accessed via modem by calling **1-800-267-5979**. For more details see page 41.

Tax Information Phone Service (T.I.P.S.)

T.I.P.S. is a computerized, voice-response service. By using this service, clients can get information on selected tax topics, the status of their income tax refunds, their RRSP deduction limits, and whether they are eligible for the GST credit. The number for T.I.P.S. is listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Clients calling T.I.P.S. for personal tax information are asked for their social insurance numbers, months and years of birth, and the total income from line 150 of their income tax returns. If they call before May 1, they will need

the amounts they entered on line 150 of last year's tax returns. If they call after April 30, they will need the amounts they entered on line 150 of this year's returns.

The following services are available on the T.I.P.S. menu:

Telerefund

T.I.P.S. (Telerefund) lets clients know if the Department has processed their current-year returns, and when they can expect to receive their refund cheques. When clients phone, they should be ready to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available from February until September.

GST Credit

The T.I.P.S. (GSTC) service tells clients if they are eligible for the GST credit and the date they can expect to receive their cheques. To get information, clients have to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available for about two weeks before and three weeks after we mail each GST credit cheque.

RRSP

The T.I.P.S. (RRSP) service lets clients know their RRSP deduction limits, which represent the amount of contributions they can deduct for the year. If applicable, it also lets clients know the amount of contributions they made in previous years that they have not deducted. To get their RRSP deduction limits, clients will have to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available from mid-September until the end of April.

■ Bulletin Board

The bulletin board contains recent information that may be of interest to clients.

This service is available 24 hours a day, 7 days a week, year-round.

■ Info-Tax

Info-Tax gives recorded information on a number of tax topics such as tax changes, client services, and new procedures.

Info-Tax is available 24 hours a day, 7 days a week, from mid-January until June.

Clients can get Telerefund, GSTC, and RRSP information:

weekdays 7:00 a.m. to 11:00 p.m. Saturdays 8:00 a.m. to 4:00 p.m. Sundays 8:00 a.m. to 1:00 p.m.

Electronic data interchange

We have a number of electronic data interchange (EDI) programs that are making our operations more efficient, improving the quality and timeliness of our service to taxpayers, and saving money.

EDI means that businesses need less time to comply with regulations, and both us and our clients use less paper.

Other benefits include:

- timely updating of client accounts;
- faster processing; and
- improved productivity.

Customs commercial systems

The Department has a number of EDI systems to streamline the customs commercial process:

Accelerated Commercial Release
 Operations Support System (ACROSS)
 allows importers and brokers to exchange
 information with customs electronically
 before the goods arrive at the border;

- Customs Automated Data Exchange (CADEX) System, lets importers and brokers electronically send and receive customs transactions for accounting and entry;
- Customs Declaration (CUSDEC) Message, is similar to CADEX but with a message that is an approved international standard;
- Release Notification System (RNS)
 electronically notifies importers and
 brokers, warehouse operators, and carriers
 of customs releases within 30 minutes of
 the release decision.

For more information on these EDI systems for customs, see page 39.

Direct deposit program

Direct deposit has replaced cheques as the federal government's standard method of issuing payments. Direct deposit has a number of advantages over the traditional method of payment. It offers clients a safe, convenient, dependable, and time-saving way to receive payments, and saves the Government money through reduced fees and postage.

All individual taxfilers can have their income tax refunds, GST credits, and Child Tax Benefit deposited directly to their bank accounts at any financial institution in Canada. Business clients can also have their income tax refunds and GST refunds and rebates deposited directly.

Electronic filing (EFILE)

Taxpayers can file their personal tax returns electronically with the help of an approved electronic service provider. EFILE saves paper and money and speeds up processing of returns. For more details, see page 19.

Electronic tax payments

Financial institutions are now offering services that allow businesses and individuals to make various payments to us electronically. Through some financial institutions, businesses and individuals can pay tax bills by telephone and computer.

These services allow individuals to make payments such as quarterly instalments, or payments towards amounts owing, without writing a cheque or having to mail their payments to us. Businesses can use these services to send in their corporate instalments or payroll deductions. Clients can use most of these services 24 hours a day, 7 days a week, without leaving their residences or places of business.

Facsimile communications

Most of our offices across the country are accessible by fax. The numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book. Since confidentiality cannot be guaranteed, this fax process is only for non-sensitive general business correspondence, not for filing returns.

GST electronic filing and remitting

Filing GST returns and remitting GST payments electronically saves businesses time and money as well as cutting paperwork and administrative costs. For more details, see page 28.

Imaging technology for financial records

We accept imaging technology as a way for businesses to keep books and records for tax purposes. This helps businesses reduce the burden and cost of compliance. Storing financial records on devices such as optical disks (CD-ROM) is less expensive than using paper, and is more environmentally friendly.

Firms that provide imaging services estimate that by using imaging technology, a small retail store could save 10% to 20% in related operational costs. A larger business that uses a full-featured imaging system in its corporate structure could save 30% to 60% in related operational costs.

Companies using imaging must follow the procedures for the technology outlined in the Canadian General Standards Board (CGSB) publication *Microfilm and Electronic Images as Documentary Evidence*.

For technical information about imaging, clients can call their tax services offices and ask for the Audit Informatics resource person, or they can call us in Ottawa at (613) 957-3661. For more information about CGSB publications, they can call, toll free, 1-800-665-2472.

Magnetic-media filing

Businesses as well as service bureaus can use diskettes, tapes, or cartridges to file their yearend tax data such as T3, T4, T4A, T4A-NR, T4RIF, T4RSP, T5, T5007, T5008, and NR4. See page 30 for more details.

Tables on diskette (TOD)

TOD is a computer program that automatically calculates payroll deductions, including income tax, Canada Pension Plan contributions, and Employment Insurance premiums. For more information on TOD, see page 31.

TELEFILE

This initiative, currently being tested in New Brunswick, allows certain clients to file their income tax returns using a telephone with Touch-Tone™service. For more details, see page 24.

Other client services Community visits program

Community visits is an initiative to combat the underground economy. The purpose of these visits is to:

- enhance departmental visibility;
- improve efforts to educate the public;
- gain support from groups harmed by the underground economy;

- demonstrate that we are taking action; and
- encourage voluntary compliance.

The program, which started in the fall of 1994, has already reached more than 11,200 businesses in 74 communities.

Income tax-filing season services Extended hours of telephone service

During the filing season, every tax services office offers extended evening hours for the public enquiries bilingual telephone service. This annual service makes it easier and more convenient for clients to get the help they need to complete and file their returns.

Since the dates for the extended hours change each year, people who want to use this service should check the information included in their income tax packages before calling.

Information sessions

During the filing season, tax services offices offer information sessions for specific groups—usually seniors, people with employment income, and people filing only for the GST credit.

Tax clinics

Every year during the filing season, we open tax clinics in various communities. These clinics are in convenient places, such as shopping malls and public buildings that are easily accessible to clients who need information and advice about their tax returns. These clinics have a variety of forms, guides, and pamphlets that clients may need.

We may also set up clinics in Government of Canada InfoCentres, which are often in Human Resource Centres of Canada in some smaller communities.

Our tax services offices inform people in their areas about the tax clinics by:

- advertising in local newspapers;
- displaying posters near the tax clinic; or

making announcements on radio and on community cable channels.

For clients in Quebec whose provincial income taxes are administered by the Quebec government, we operate most clinics jointly with the ministère du Revenu du Québec.

Tax clinics can be open from as little as one day to two-and-a-half months in the period leading up to the April 30 filing deadline.

Publications

We provide a wide range of information to millions of clients through the various forms and guides we publish. We review these forms and guides every year and update them as necessary. (Information on publications available on the Internet is on page 11.)

An important source of income tax information is the income tax guide that accompanies each tax return. We also publish other guides to meet the needs of specific groups of clients. Appendix A lists some of these publications.

In addition, we offer a wide variety of general and technical publications to help clients understand the tax system. These publications are available free of charge from all tax services offices.

However, some technical documents, such as information circulars, interpretation bulletins, and advance tax rulings, have a charge for annual subscriptions. To order any of these technical publications, clients can write to: Publishing Directorate, Revenue Canada, 17th floor, 25 Nicholas Street, Ottawa ON K1A 0L5. Clients can still get copies of individual circulars, bulletins, and rulings free from tax services offices.

We also release an annual publication called *Tax Statistics on Individuals*, which provides analytical summaries of information found on individual tax returns. This data is available on diskette for a fee. On request, and for a fee, the Statistical Services Division also provides special tabulations based on clients' specific needs. For other statistical income tax data,

clients can call **(613) 957-7387** or fax the Statistical Services Division at **(613) 941-6778**.

We also produce many publications on customs services for both travellers and commercial clients. Clients can find a list of our most popular pamphlets and guides in Appendix A. These publications are available free of charge from our customs border services and trade administration services offices listed in Appendices D and E.

In addition to these general guides and pamphlets, customs also produces technical memoranda and bulletins, as well as advance rulings under the National Customs Rulings Program (see page 42 for details). Technical memoranda can be ordered through Canada Communication Group (CCG) for an annual subscription fee. Clients should address their subscription requests to: Canada Communication Group, Publishing Division, Ottawa ON K1A 0S9. They can also reach CCG by phone at (819) 956-4802 or by fax at (819) 994-1489.

Services for clients who are blind or visually impaired

To ensure that everyone has equal access to information, we provide documents in alternative formats: braille, large print, audio cassette, and computer diskette.

All printed publications, notices, and correspondence are available in alternative formats in either official language. Clients can also complete and file their income tax returns using braille, large print, or computer diskette. Although we cannot accept correspondence on audio cassette, we can provide information in this format.

Income tax returns, schedules, guides, supplementary guides, pamphlets, and other common documents are readily available in all four alternative formats. We provide all other publications in alternative format on request.

While we do not usually complete tax returns for clients, when asked, we will help individuals with disabilities complete their returns. Whenever possible, we refer clients to the Community Volunteer Income Tax Program. See page 19 for more information on this program.

To order information in alternative formats or to discuss their particular alternative-format needs, clients can call **1-800-267-1267**. This toll-free, bilingual, alternative-format information line operates weekdays between 8:15 a.m. and 5:00 p.m. Eastern Time.

We place clients who order alternative-format documents relating to income tax on our mailing list, and we contact them annually to determine their needs for the upcoming tax-filing season.

Services for clients who are deaf or hard of hearing and clients who have speech impairments

Clients who use a Teletypewriter (TTY) can call our general enquiries TTY line, toll free, at **1-800-665-0354**. A TTY transmits typewritten messages over a telephone line.

Bilingual TTY service is available year round, Monday to Friday (except on statutory holidays). In Alberta, British Columbia, the Northwest Territories, and the Yukon Territory, clients can call between 8:15 a.m. and 5:00 p.m. Central Time. In Newfoundland, clients can call between 8:15 a.m. and 5:00 p.m. Atlantic Time. In all other locations, clients can call between 8:15 a.m. and 5:00 p.m. local time. This service is also available in the evening, Monday to Thursday, from mid-February to the end of April.

A client who is deaf or hard of hearing can also use an operator-assisted relay service to contact us through our regular enquiry lines. The operator acts as a link by typing as the enquiries agent speaks, so that the words appear on the caller's TTY.

When notified in advance, we can have a sign language interpreter at an interview or meeting.

Help may also be available through our Community Volunteer Income Tax Program.

See page 19 for more information on this program.

Small business information seminars

We offer small business seminars to inform new or prospective businesses about "need-to-know" information on their rights and obligations under the customs, excise, GST, and income tax legislation, and about the services and help available to them. For more information on these seminars, see page 31.

Tax telephone enquiries

Clients receive the telephone numbers of their tax services offices, a separate Problem Resolution Program phone number, and the general and T.I.P.S. enquiries lines with the income tax package we mail them each year. These phone numbers, also listed under "Revenue Canada" in the Government of Canada section of the telephone book, make it easier for clients to contact staff for help.

All correspondence from tax services offices includes telephone and fax numbers. This allows a client to directly contact the person who is dealing with the account to get more information, if necessary.

The tax services offices (listed in Appendix C) handle telephone enquiries and offer counter service to clients, in both official languages, during regular business hours, from 8:15 a.m. to 5:00 p.m. Monday to Friday.

Revenue Canada offices

Clients can get information, pick up publications, make payments, get forms, and conduct other types of business at most Revenue Canada offices across the country. As well, some of these services are available at Government of Canada InfoCentres.

For specific information about particular programs, clients should contact the specialized tax centre, customs border services, tax services, or trade administration services offices listed in Appendices C, D, and E. The telephone

numbers for these offices are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Business windows

Certain of our offices offer a special one-stop service, called the business window, where businesses can use their integrated Business Numbers for any transactions with us. See page 27, for details on business windows and the Business Number.

Customs border services and trade administration services offices

Clients can get customs forms, departmental publications, and information on importing and exporting goods from any customs border services or trade administration services office across Canada.

Employees in these offices handle enquiries and offer assistance on tariff classification, customs duty rates, accounting documentation, assessing the value of imported goods, methods of payment, import quotas and permits, customs assessments, refunds, duties relief, and appeals of customs seizures.

Generally, we release goods only during regular business hours, Monday to Friday. However, some offices provide commercial services from 8:00 a.m. to midnight (local time), and clients using electronic data interchange (EDI) can carry out transactions outside regular business hours. Clients can get more information on hours of service at the local office.

Clients can enquire in writing, by phone, or in person at any customs border services or trade administration services office. Addresses and telephone numbers for these offices are listed in Appendices D and E.

International Tax Services Office

The International Tax Services Office, located in Ottawa, serves the special needs of clients filing income tax or information returns as non-residents. This office also serves

individuals who are factual residents, deemed residents, newcomers to Canada, and emigrants. Factual and deemed residents are people who live outside of Canada, but are considered residents for income tax purposes.

Staff members at the International Tax Services Office process non-resident individual, corporate, and trust tax returns; answer telephone, counter, and written enquiries; and process requests for adjustments. The office also maintains accounts of individuals and institutions that issue payments to non-residents of Canada.

Non-resident clients can reach the International Tax Services Office by calling:

Tax centres

Our seven tax centres process and store income tax returns, and offer a complete range of client services similar to those at tax services offices. Staff members send assessment notices, issue requests for refund cheques to Public Works and Government Services Canada, and provide written explanations of tax assessments.

Tax centre staff also answer enquiries about assessment notices, and receive instalment payments directly or through financial institutions. These payments are from individuals, corporations, and employers.

The Winnipeg Tax Centre has a clearing house to process the combined annual tax return, which allows people who meet certain conditions to file their GST and income tax returns together. (More information on this return is available under "Combined annual filing" on page 27.)

The Summerside Tax Centre in Summerside, P.E.I. processes GST returns and has several toll-free enquiries lines. For general enquiries, including questions about GST refund cheques,

remittances, and GST account status, clients can call **1-800-461-3567**. Enquiries dealing with errors on previously filed GST returns should be directed to **1-800-265-1115**. Status information on specific GST rebate claims is available from **1-800-565-9353**.

These toll-free enquiries lines are available anywhere in Canada from 8:00 a.m. until 9:00 p.m. (Atlantic Time). To ensure efficient service, clients should have their GST account numbers or their Business Numbers, and any other pertinent information available when they call.

Tax services offices

Tax services offices provide information on filing and the status of income tax and GST returns and refunds, explain assessment notices, answer tax questions, and handle GST credit and Child Tax Benefit enquiries.

At these offices, clients can also get the forms and publications they need to complete their income tax returns, as well as GST forms, publications, and information. They can also pay any form of Revenue Canada remittance for processing to their accounts.

Tax services offices with Technical Interpretation Services units provide GST, excise taxes, and special levies rulings and interpretations, as well as other technical information in these areas. Excise duty information, forms, and publications are available at offices with an Excise Duty unit. Offices with Technical Interpretation Services units and Excise Duty units are identified in Appendix C.

Clients can enquire in writing, in person, or by phone at tax services offices. Appendix C lists the addresses and phone numbers of tax services offices across the country. The numbers are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Except to get information on the GST, clients in Quebec can contact a tax services office for assistance. For information on the GST, clients should contact a ministère du Revenu du Québec office.

Government of Canada offices Canada Business Service Centres

Revenue Canada is an active partner in the Canada Business Service Centre initiative, designed to help business clients through a single point of contact. These centres offer businesses access to information about the programs and services of various federal departments, including Revenue Canada and Industry Canada, and economic development agencies such as the Atlantic Canada Opportunities Agency, Western Economic Diversification Canada, and the Federal Office of Regional Development in Quebec. Other partners include provincial and non-government agencies.

Ten Canada Business Service Centres operate across the country. They are in Charlottetown, Edmonton, Fredericton, Halifax, Montréal, Saskatoon, St. John's, Toronto, Vancouver, and Winnipeg.

Government of Canada InfoCentres

Revenue Canada is working with other federal government departments and agencies to improve service to Canadians in smaller communities, by offering a variety of Government information and services in a single location. Generally, people can get basic program information; help with lost, stolen, or destroyed government cheques; and brochures and guides from the many centres across the country.

These sites are called Government of Canada InfoCentres, and are usually located in Human Resource Centres of Canada. Revenue Canada hosts InfoCentres in Belleville, Charlottetown, Halifax, Hamilton, Laval, Saint John, Sudbury, Sydney, Vancouver, and Winnipeg.

Individual clients Child Tax Benefit Program

The Child Tax Benefit Program makes tax-free monthly payments to eligible individuals to help with the cost of raising children under the age of 18. Child Tax Benefit payments are targeted according to income and are gradually phased out at higher income levels. Payments go to families with low and moderate incomes, with an additional supplement for low-income working parents.

At Revenue Canada, we calculate the Child Tax Benefit using information from income tax returns filed by the parent who is the child's primary caregiver, and the spouse, if any. Each July, we recalculate benefits to reflect the changes in family income reported on the most recent income tax returns.

Parents have to apply to us after the birth or adoption of a child to receive benefits. Parents also have to file income tax returns each year to continue receiving their benefits. They should complete the marital status area of their return to ensure they receive the proper benefit amount.

Individuals who have questions about the program or their own entitlement to benefits can call, toll free, 1-800-387-1193.

Children's Special Allowances Program

The Children's Special Allowances Program makes payments to approximately 250 federal and provincial agencies and institutions (e.g., children's aid societies and individual foster parents) that care for about 40,000 children. These payments replace ones that we would otherwise make to parents under the Child Tax Benefit Program.

Community Volunteer Income Tax Program

During income tax-filing season, about 15,000 volunteers help more than 235,000 taxfilers prepare their income tax returns.

Through our tax services offices across the country, we provide training sessions on how to complete basic income tax returns for representatives of community organizations and other interested people.

Revenue Canada also runs a joint volunteer program with the ministère du Revenu du Québec, to make it easier for Quebec taxfilers to complete both their federal and provincial tax returns.

People who want to become volunteers, or who need help from volunteers, should contact their tax services offices. Addresses and telephone numbers for these offices appear in Appendix C.

Electronic filing (EFILE)

EFILE is an automated system that makes it possible for individuals to electronically file their income tax returns.

The advantages of using EFILE include:

- improved accuracy of tax data;
- reduced postage and handling costs;
- reduced paper use; and
- fast processing of returns.

Taxpayers have to use the services of accountants, tax preparers, employers, or others who offer EFILE, to send their income tax return data to'us electronically. These individuals have been approved by us as electronic service providers, and they use encryption devices to ensure that tax information remains confidential.

Most electronic service providers charge a small fee for EFILE services. In many cases, tax professionals and accountants include the cost of filing electronically in the cost of preparing a tax return.

Taxpayers who have prepared their own tax return, have to supply the electronic service provider with supporting documents before their returns can be transmitted. Clients of the International Tax Services Office, such as non-residents, cannot use the EFILE system.

For more information, clients can look for an approved electronic service provider displaying the EFILE logo or they can contact their tax services offices. The addresses and telephone numbers for tax services offices appear in Appendix C. They are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Employee and partner GST rebate

Certain employees and partners can claim rebates for the GST paid on expenses they deduct from employment income for income tax purposes. Clients can find more information on this rebate in the publication *Completion Guide and Form: Employee and Partner GST Rebate*, available at any tax services office. These offices are listed in Appendix C.

Federal Excise Gasoline Tax Refund Program

The Federal Excise Gasoline Tax Refund Program provides a refund for three groups of claimants on part of the federal excise tax on gasoline, at a rate of \$0.015 a litre or \$0.0015 a kilometre. These claimants are:

- people certified by a qualified medical practitioner as suffering from a permanent mobility loss to such a degree that public transportation would be hazardous;
- registered Canadian amateur athletic associations; and
- registered charities as defined in the *Income Tax Act*.

For more information on this program, clients can contact their tax services offices, or call the Gasoline Tax Refund Unit, station-to-station collect, at (613) 941-4590.

Goods and services tax (GST) credit

The GST credit helps families with low and modest incomes offset all or part of the GST. The Government pays GST credits four times a

year: in July, October, January, and April. We calculate the credit using information from income tax returns filed by applicants and their spouses, if applicable.

To apply for the credit, individuals have to file income tax returns. They have to complete the area for the GST credit application and the area that shows marital status. Details on the GST credit are available in income tax packages, or from the tax services offices listed in Appendix C.

GST general rebate for individuals

Individuals may qualify for a rebate when:

- a person pays GST in error on a transaction;
- a non-registrant sells taxable real property;
- a non-resident exports goods commercially;
 or
- a person leases land for residential purposes.

Certain foreign representatives and officials may be eligible for a rebate as well. Visitors to Canada can also apply for a refund of the GST they pay on certain goods and services. See page 24 for details.

Clients can find more information in the *General Rebate Guide and Application Form*, available from any tax services office. These offices are listed in Appendix C.

GST new housing rebate

GST new housing rebates are available to qualifying purchasers of new homes, purchasers of shares in co-operative housing, and owners of homes that are substantially renovated or that the owners built themselves.

More information is available in the GST publication *Completion Guide and Form for: GST New Housing Rebate*, available at any tax services office.

Home Buyers' Plan repayments

Generally, clients have to repay amounts withdrawn under the Home Buyers' Plan over a period of no more than 15 years. To make a repayment under the plan, participants must contribute to their RRSPs and designate, on their income tax returns for the year, the portion of the contribution that is to be considered a repayment. They have to start designating repayments on the income tax return filed for the second year after the year they withdrew an amount.

Participants who file income tax returns make this designation on Schedule 7, RRSP Unclaimed Contributions, Transfers, and Designations of Repayments Under the Home Buyers' Plan, and file Schedule 7 with their returns. Participants who do not have to file tax returns use Form T1037, Designating Contributions You Made to your RRSPs as Your Repayment Under the Home Buyers' Plan for 19xx.

Instalment payments for income tax

Instalments are payments of income tax made directly to us at Revenue Canada. People who receive income that has little or no tax withheld at source may have to pay a large amount of tax when they file their returns. If their net tax owing for the current year and either of the two preceding years is more than \$2,000 (\$1,200 in Quebec), they may have to pay their income tax by instalments. We issue reminders to people who may be required to make instalment payments.

We offer three options for calculating the payment amounts:

■ No calculation

Taxfilers pay the amount shown on the instalment reminder that we send them by the due date indicated on the reminder.

Prior year

Taxfilers pay one-quarter of the prior year's net tax owing and any Canada Pension Plan (CPP) contribution payable on March 15, June 15, September 15, and December 15.

■ Current year

Taxfilers pay one-quarter of the current year's estimated net tax owing and any CPP contribution payable on March 15, June 15, September 15, and December 15.

Clients who choose the no-calculation option do not have to calculate the amount of their quarterly income tax payments. People who pay the amount that appears on each reminder on time will not be charged any instalment interest or penalties, even if the payments are less than the total amount of tax they owe for the year.

Objections and appeals

Our Appeals Branch deals directly with disputes arising from assessments or determinations under the *Income Tax Act* and the *Excise Tax Act* (GST), as well as rulings issued under the *Canada Pension Plan* and the *Employment Insurance Act* (information on appeals under the *Customs Act* appears on page 8).

Income tax and GST

When differences arise between our clients and us, the *Income Tax Act* gives taxfilers the right to object. The *Declaration of Taxpayer Rights* affirms this right. Also, the *Excise Tax Act* gives registrants and claimants the right to object when differences over GST arise.

To support these rights, we have instituted a straightforward objection and appeal process for clients who want to contest their assessments.

Step 1

Taxfilers or registrants who do not understand their assessments, or who disagree with an assessment or reassessment notice, or a determination or redetermination notice, should first contact their tax services offices. They can do so by telephone, in writing, or in person. A departmental representative will explain the notice.

Since most concerns result from misunderstandings about such things as the explanations on the assessment, clients usually receive satisfactory answers from these offices and avoid using the objection process. A large number of cases are resolved in this way.

Step 2

If clients are not satisfied after discussions with their tax services offices, they can file objections. An appeals officer will conduct an impartial review of the case, and contact the client to discuss the issues.

Except for large corporations, from which we collect 50% of the disputed amount immediately, we will usually postpone collection of the income tax in dispute until 90 days after we mail the decision. However, we may begin collection on a GST assessment before we issue a decision on the objection.

Step 3

If clients are still not satisfied, they can appeal to the Tax Court of Canada. The court hears appeals under two distinct procedures: the informal and the general procedures. Each procedure has specific advantages as well as restrictions and rules. Clients can choose the procedure most appropriate for their cases.

Other options

Both the client and us have the right to take the Tax Court's decision to the Federal Court of Appeal. The appeal court's ruling, in turn, can be challenged through the Supreme Court of Canada, with that court's permission.

Canada Pension Plan and Employment Insurance

At Revenue Canada, we administer the coverage provisions of the *Employment Insurance Act* and *Canada Pension Plan* (CPP) programs. This involves deciding which employment is insurable or pensionable, and collecting the payments that finance the two programs.

We do not decide who should get Employment Insurance (EI) or CPP benefits. That is the responsibility of Human Resources Development Canada. However, since we establish which employment is covered under the two programs, our decisions can affect an individual's right to benefits.

An employer or any other person affected by a ruling or assessment we made at an earlier stage can ask the Appeals Branch for a final decision. Then a CPP/EI appeals officer conducts an impartial review, which includes contacting all parties involved.

If a person affected by a decision disagrees with it, that person can then appeal the decision to the Tax Court of Canada under the informal procedure. A Tax Court of Canada judgement is usually final and conclusive. However, a person can take a decision to the Federal Court of Appeal for a judicial review, and even to the Supreme Court of Canada with that court's permission.

Other taxes

The Appeals Branch also deals directly with outstanding issues on the former federal sales tax, transitional rebates, and the former *Softwood Lumber Products Export Charge Act*, as well as with disputes on general excise taxes and the air transportation tax.

Clients who want to contest an assessment or determination of these taxes or charges can follow the process outlined for income tax and the GST, with one exception. Clients who are still not satisfied after receiving a decision on their objection can appeal the assessment or determination to either the Canadian International Trade Tribunal or the Federal Court – Trial Division.

Finally, they can appeal judgements of the Trial Division to the Federal Court of Appeal, and from there they can challenge the judgements through the Supreme Court of Canada, with that court's permission.

Page 8 has information on resolving disputes of customs duties and taxes and on the legislative review process for customs seizures and forfeitures.

Preretirement seminars

Through our tax services offices, we at Revenue Canada can arrange special seminars that explain how the tax system affects retirement. These seminars are geared to people preparing for retirement. Interested individuals should contact their tax services offices to find out what is available. A list of addresses and telephone numbers for these offices appears in Appendix C.

Problem Resolution Program

We can resolve most clients' questions and concerns quickly through our general enquiries service. However, we also have a Problem Resolution Program to handle special cases that arise when clients have concerns that need special attention.

The Problem Resolution Program handles—on a priority basis—cases that cannot be resolved through usual channels. The program co-ordinators look at any concerns brought to their attention, trace the problem to its source, and decide whether the case is isolated or part of a larger trend that needs attention.

We maintain important links with offices of Members of Parliament and with tax practitioners to help resolve matters individual taxfilers raise. If, after giving regular resolution systems a chance to work, clients feel their problems have not been resolved, they can contact the problem resolution co-ordinator at their tax services offices. The phone numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Registered retirement savings plan (RRSP) deduction limit

We inform individual taxpayers of their RRSP deduction limits on the assessment notices they receive after filing their last income tax returns.

For any given year, and the first 60 days of the following year, clients can deduct up to that limit, contributions they made after 1990, provided that they did not deduct them in a previous year. They can deduct any contributions or combinations of contributions they made to their own RRSPs or to spousal RRSPs.

Clients who want to check their RRSP deduction limits can call the automated T.I.P.S. (RRSP) service (see page 11) or their tax services offices.

Residency determination

Sometimes Canadians leaving Canada and non-residents entering Canada need information about their Canadian residency. To help them, the International Tax Services Office and all tax services offices have access to an expert computer system called the Residency Determination Advisor. This system allows departmental staff to determine and process enquiries about an individual's residency quickly and accurately.

Canadian residents who have foreign income, such as interest, dividends, or pensions, can ask for certification of their Canadian residency. They would need this certification for a refund of excess income tax other countries withhold when the rate of withholding tax is reduced under a convention (agreement) between Canada and the foreign country.

Simplified income tax packages

In addition to the General and Special income tax packages, we at Revenue Canada produce simplified income tax packages that take into account an individual's tax situation based on his or her filing history. These simplified tax packages include a worksheet for individuals who want to calculate the amount of their refund or balance owing.

We mail these packages to taxfilers such as:

 individuals who complete a tax return solely to establish their eligibility for the Child Tax Benefit, the GST credit, and various provincial entitlements;

- seniors; and
- wage earners and others with straightforward tax situations.

These simplified tax packages have allowed us to significantly reduce the amount of paper we use.

Clients can still get a complete tax package at tax services offices, Government of Canada InfoCentres, and at postal outlets across the country. In addition, clients can choose to take the booklet containing only tax forms. This booklet allows clients to get the forms they need without having to take an income tax guide at the same time.

Teaching Taxes Program

Every year we supply Teaching Taxes kits free of charge to about 2,000 teachers and 75,000 students. High schools and colleges across the country use the program in economics, accounting, business, mathematics, consumer education, social studies, and even language courses.

Any teacher can order the *Teacher's Manual* and the *Student's Workbook* from a tax services office (see Appendix C for addresses and telephone numbers).

TELEFILE

We at Revenue Canada are testing the newest way to file an income tax return by inviting certain taxfilers in New Brunswick to use TELEFILE. Selected seniors, eligible to file the T1S-A return, and people using the T1S-C return to apply for the GST credit and Child Tax Benefit, will find an invitation to use TELEFILE included with their personalized income tax returns. These clients can then file their tax returns using a telephone with Touch-ToneTM service.

TELEFILE prompts clients to provide their income tax data through an automated telephone interview. Clients are then asked to

confirm that they want to file this information as their income tax return. We immediately give them confirmation numbers and begin to process their returns. In about two weeks, we issue assessment notices to the clients.

TELEFILE allows clients who do not want to use a third party, to file their income tax returns electronically. The service is free, available seven days a week, and takes only a few minutes.

Visitor Rebate Program

Under the Visitor Rebate Program, non-resident visitors to Canada can claim a refund for some of the tax they pay on short-term accommodation (less than one month), and on eligible goods that they take home within 60 days of purchase. Non-resident businesses can claim a refund for some of the tax they pay on short-term accommodation for their employees travelling on business in Canada.

Non-residents can use a single application form to claim refunds for the GST, the Manitoba sales tax, and the Quebec sales tax. Claimants receive a single cheque mailed to their permanent address outside Canada.

To be eligible for this rebate, non-resident visitors must be claiming at least CAN\$14 under each tax. As well, each tax shown on individual receipts for eligible goods must be at least CAN\$3.50.

For rebates of up to CAN\$500, non-resident visitors can present their original receipts at Canadian duty-free shops participating in the Visitor Rebate Program. More information on duty-free shops appears on page 35.

Non-resident visitors have to submit an application within one year of the day they export the goods. Claimants should mail their applications, with original receipts, and proof of export documents for high-value items to:

Visitor Rebate Program Revenue Canada Summerside Tax Centre Summerside PE C1N 6C6 CANADA

For questions about the tax rebate, non-resident visitors can contact us at 1-800-66VISIT (1-800-668-4748) from within Canada, or (902) 432-5608 if they are calling from outside Canada.

Public-service bodies

A Notice of Ways and Means Motion released on April 23, 1996, contained a number of amendments to the GST legislation. As these amendments are not yet law, the sections called GST rebates, GST simplified accounting methods, and GST – Small-supplier divisions have not been revised to reflect these legislative changes. More information on these changes is available from the Business Enquiries section of tax services offices. Telephone numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

GST rebates

Public-service bodies include charities, non-profit organizations, municipalities, school and hospital authorities, and public colleges and universities. Many goods and services these organizations provide are exempt from the GST. Most public-service bodies can partly recover the GST they pay on some purchases by claiming a rebate at a set rate. Clients can get more information on GST rebates in the GST rebate or information guides Completion Guide and Form for: Registrant Public Service Bodies Rebate and Completion Guide and Form for: Non-Registrant Public Service Bodies Rebate, available at their tax services offices.

GST simplified accounting methods

Details on these methods appear on page 29 of this chapter.

GST simplified methods for claiming input tax credits and rebates

Details on these methods appear on page 29 of this chapter.

GST - Small-supplier divisions

Public-service bodies can apply to have us treat a branch or division as a small-supplier division if the branch or division has separate accounting systems, either a separate location or activities, and its annual taxable supplies are less than \$30,000. Small-supplier divisions do not need to charge GST, but cannot claim input tax credits. Clients can get more information on small-supplier divisions from the information guide for their public-service body or from their tax services offices.

Non-Profit Organization (NPO) Information Return

Until recently, only some non-profit organizations, such as those that are incorporated, needed to file returns. Now, certain agricultural organizations, boards of trade, chambers of commerce, and non-profit organizations have to file the *Non-Profit Organization (NPO) Information Return* for income tax.

Organizations have to file this return if they meet one of the following conditions:

- the organization received or is entitled to receive dividends, interest, rental income, or royalties totalling more than \$10,000 in the fiscal period; or
- the total assets of the organization were more than \$200,000 at the end of the last fiscal period.

Once an organization has had to file this return, it will have to continue filing the return for all future fiscal periods. This is the case regardless of the dollar value of its revenues or the book value of its assets in future years.

For more information on non-profit organizations, or to get a copy of the *Income Tax Guide to the Non-Profit Organization (NPO)*

Information Return, clients can contact their tax services offices. Addresses and telephone numbers appear in Appendix C.

Registered charities information

The Charities Division is responsible for reviewing applications for charitable registration under the *Income Tax Act*, providing technical advice to clients on the operations of registered charities, and handling audit and compliance activities.

We at Revenue Canada have a bilingual, toll-free telephone service to help people who want information about registered charities. This service provides information on whether an organization is registered as a charity, whether people can make tax-assisted gifts to registered charities under specific circumstances, and how organizations can become registered as charities for income tax purposes.

Through this telephone service, people can also get copies of the latest public information return filed by a specific registered charity. Callers can reach the service at **1-800-267-2384** weekdays from 8:00 a.m. to 5:00 p.m. (Eastern Time). Callers in the Ottawa area can reach the Charities Division by phoning **(613) 954-0410**.

Clients can also find out whether a charity is registered by simply contacting their tax services offices. These offices also have information on non-profit organizations that are not registered charities. Appendix C includes the addresses of tax services offices.

Business clients

We are committed to ensuring that businesses receive the support they need to meet their fiscal obligations. We have enhanced our use of specialists for industry sectors, tax avoidance, international transactions, and electronic data processing.

We develop compliance strategies in conjunction with industry, provincial governments, and professional associations, as well as advisory groups like the Large Business Advisory Committee, the Small Business
Advisory Committee, and the Scientific
Research and Experimental Development
Advisory Committee. These strategies,
developed on a sector or issue basis, combine
information, education, clarification of the law,
proposals for legislative change, and
responsible enforcement to ensure the
appropriate level of compliance.

By ensuring that all Canadians pay their fair share of tax, we help maintain the integrity of the Government's resource base.

Advance Pricing Agreement (APA) service

The Advance Pricing Agreement (APA) service helps Canadian taxpayers establish, for income tax purposes, acceptable transfer pricing for future cross-border transactions between related businesses. (An example of related businesses is parent companies and their subsidiaries.) These transactions are between related businesses that operate in Canada and in another country.

The APA service also helps Canadian taxpayers eliminate potential double taxation from transfer pricing with related foreign operations in countries with which Canada has an income tax treaty. Canada has developed procedures for establishing bilateral agreements with our major trading partners. We at Revenue Canada manage these agreements with the other countries' tax administrations.

This service gives business clients more certainty about the income tax implications of transfer pricing in cross-border transactions. The APA service carries a user charge. For more information about this service, clients can contact our International Tax Directorate, 875 Heron Road, Ottawa ON K1A 0L5.

For information about possible implications of customs valuation, see "Trade administration—Valuation" on page 45.

Advance income tax and GST rulings

We at Revenue Canada have a formal procedure for issuing binding advance rulings for proposed transactions. We interpret the provisions of the *Income Tax Act*, the *Excise Tax Act*, and related statutes, and establish our policy on these interpretations. Advance income tax and GST rulings state how we will interpret specific provisions of tax law for transactions a client is contemplating in the near future. This service has a cost-recovery fee for income tax.

Clients can mail written requests for advance income tax rulings or technical interpretations on complex issues to: Income Tax Rulings and Interpretations Directorate, Revenue Canada, 25 Nicholas Street, Ottawa ON K1A 0L5. They can also fax requests to (613) 957-2088.

For an advance GST ruling, clients can mail written requests to: GST Rulings and Interpretations Directorate, Revenue Canada, Tower C, 25 McArthur Avenue, Ottawa ON K1A 0L5. They can also fax requests to (613) 990-3602.

To discuss a routine technical tax issue, a 'complex'GST interpretation, or to request a binding application ruling on the GST, clients should contact their tax services offices. The numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

For information on advance rulings on customs matters, see the section called "National Customs Ruling Program" on page 42.

Business Number

The Business Number (BN) is a business identifier that assigns each business a single number that remains the same no matter how many accounts a business has. The BN includes the major accounts most businesses have: corporate income tax, the GST, import/export, and payroll deductions. All new businesses registering for any one of these accounts receive a BN. Starting in 1997, BN also includes the

registered charity program, registered Canadian amateur athletic organizations, and registered national arts service organizations.

Businesses can call **1-800-959-5525** (English service) or **1-800-959-7775** (French service) to register a new business. We automatically route the call to the appropriate business window.

Business windows

Business windows, located in most of our offices, are the initial point of contact for business clients. At this special one-stop service, businesses can register for an integrated Business Number (BN), and can use their BN to:

- update all their accounts (e.g., change their addresses) in one stop; and
- get information (e.g., account balances, status of refunds) from one contact.

Appendix C lists offices with this service.

Combined annual filing

Some small-business registrants have the option of filing their annual GST returns at the same time as their individual income tax returns. Using a combined form, they can also offset money owed from one return with a credit from the other, or combine the debits from the two returns and make a single payment.

As announced in the 1995 budget, individuals with business income who are annual filers and have a December 31 year end have until June 15 to file their GST returns. However, they must send in any net tax owing by April 30.

To be eligible for this filing option, businesses have to:

- have \$500,000 or less in taxable annual revenues;
- be operated by an individual (i.e., not a partnership, corporation, or trust);
- be registered for the GST;

- be located outside Quebec;
- have a GST annual reporting period that ends on December 31; and
- file both their GST and income tax returns by June 15.

Co-ordinated audits and revenue collection

At Revenue Canada, our new approach to large corporate audits now offers a tailored agreement, or protocol, to streamline the audit of a company's business activities. These protocols establish multi-year plans and improve communication and co-operation. The audit plan describes the issues we will audit, and the mechanism for resolving outstanding matters. Another feature of the new approach is real-time audits, where we audit issues before businesses file their relevant tax returns. Teams of specialists from various areas conduct the audits. Also, at the client's request, we can audit all the taxes we administer simultaneously.

To help smaller businesses, we have developed a co-ordinated approach to audit. For many small businesses, it is more efficient to have us conduct GST and income tax audits simultaneously. This saves the business time and money, and is also more effective for us. Even when auditors select one tax for auditing, they also review the total federal tax profile of the business.

We also have a co-ordinated collection program for all departmental accounts. This allows the client or practitioner to deal with just one official, providing more efficient service that is responsive to individual business circumstances.

GST annual filing

Small businesses with annual revenues of \$500,000 or less can file their GST returns annually, instead of quarterly. These businesses continue to pay the tax they owe in four instalments, based on the lesser of the net tax they paid in the previous year, or on an

estimate of the current year's net tax. However, if instalment payments based on an estimate of the current year's net tax are less than the actual tax owing, penalties and interest are payable.

If the net tax remittable in the previous year (or estimated amount for the current year) is less than \$1,500, businesses only have to send in the net tax once, usually when they file their annual returns. As announced in the 1995 budget, individuals with business income who are annual filers and have a December 31 year end have until June 15 to file their GST returns. However, they must send in any net tax owing by April 30.

GST electronic filing and remitting

The GST Electronic Filing and Remitting Program allows GST registrants to file their GST returns and remit their GST payments electronically using electronic data interchange (EDI) technology.

GST registrants can file directly with us using EDI technology they develop themselves, or software they buy. Registrants who use EDI technology they develop themselves must make sure that their software is compatible with ours. GST registrants can also file electronically through a financial institution or other organization offering EDI services.

Information about the GST Electronic Filing and Remitting Program is available at any tax services office, or by contacting our EDI Operations toll free at 1-800-279-5394.

GST general rebate for business

A rebate may be available to a business:

- in certain real property transactions;
- when it pays amounts in error; or
- as a non-resident, when it exports goods or acquires short-term accommodation in Canada for non-resident employees travelling on business.

A GST rebate may also be available to:

- diplomatic missions, consular posts, and certain international organizations and visiting forces;
- Indian bands, tribal councils, and band-empowered entities; and
- legal-aid plans.

More information appears in the *General Rebate Guide and Application Form*, available from any tax services office. These offices are listed in Appendix C.

GST in the province of Quebec

Since July 1992, the province of Quebec has administered the GST on behalf of the federal government. The single administration of the GST and all provincial taxes and revenues by the ministère du Revenu du Québec (MRQ) allows individuals and businesses in Quebec to register, file returns and rebate applications, and get information on both the GST and the Quebec sales tax from MRQ district offices.

At Revenue Canada, we continue to provide services and administer other excise taxes and duties in the province of Quebec through our Montréal tax services office.

GST simplified accounting methods

Branch returns

Businesses and public-service bodies can apply to have their branches or divisions file separate GST returns or rebate applications if the branches or divisions meet certain conditions (i.e., separate accounting records and either separate locations or activities). Clients can get details in the information guides for GST registrants and public-service bodies, or from their tax services offices.

Quick Method

This is a simplified accounting option to help small businesses calculate the GST they owe, without having to track the GST they pay or to claim GST input tax credits. Businesses with worldwide annual taxable

sales (including zero-rated sales) of \$200,000 or less, including GST and annual taxable sales of all associated businesses, can use this method, with some exceptions.

Exceptions include accountants, tax consultants, lawyers, financial consultants, and charities. Details on this method are in the GST pamphlet *The Quick Method of Accounting – Guide and Election Form*, available from any tax services office.

We have a Special Quick Method for charities, qualifying non-profit organizations, and other public-service bodies registered for the GST and eligible to claim rebates. Details appear in GST Memorandum 600-2, Special Quick Method Accounting System – Charities, Qualifying Non-Profit Organizations and Selected Public Service Bodies, available from any tax services office.

GST simplified methods for claiming input tax credits or rebates

Small businesses and public-service bodies that qualify for the simplified method for calculating input tax credits do not have to keep track of the GST they pay on each invoice. To qualify for this method, in the last fiscal year small businesses and public-service bodies must have had:

- worldwide taxable sales of \$500,000 or less, including sales by associated businesses, but excluding sales of capital real property and financial services; and
- taxable purchases, either in Canada or imported to Canada, of \$2 million or less, including purchases by associated businesses.

For public-service bodies, it must be reasonable to expect that their taxable purchases will not exceed \$2 million in their current fiscal years.

Public-service bodies meeting these conditions can also use the simplified method for claiming rebates. However, listed financial institutions cannot use the simplified methods for claiming input tax credits or rebates.

Clients can get more information on these simplified methods in the GST guide *General Information for GST Registrants*, available at their tax services offices.

Income tax return for smaller corporations

At Revenue Canada, we offer a T2 Short corporate income tax return for corporations with gross revenues of \$500,000 or less, and with no taxable income. The return, which is two pages instead of the usual six, reduces the time it takes small corporations to complete their returns.

Magnetic-media filing

Magnetic-media filing is a computerized way for businesses and service bureaus to file their T3, T4, T4A, T4A-NR, T4RIF, T4RSP, T5, T5007, T5008, and NR4-related information returns. Instead of sending paper copies of this information, clients can send diskettes, tapes, or cartridges. A single diskette, tape, or cartridge streamlines the process and allows error-free data capture and faster data processing. Magnetic-media filing saves clients time, paper, and money on their year-end filing.

Since there are certain specifications for filing on magnetic media, we provide instruction guides, and our representatives will be pleased to answer any questions. For more details on the magnetic-media filing program call 1-800-665-5164 toll free.

New Employer Visit Program

Departmental officials are available, on request, to visit new employers on their own premises. This service provides new employers with a chance to discuss concerns they may have about recording, withholding, or reporting requirements for employee earnings, tax, Canada Pension Plan, or Employment Insurance contributions.

Our staff can also provide advice on GST filing requirements, inform new employers about challenges they may encounter, and advise them on where to get information and assistance from us when they need it.

New employers wishing to take advantage of this program should contact the Revenue Collections Division of their tax services offices. Addresses and telephone numbers are listed in Appendix C, as well as under "Revenue Canada" in the Government of Canada section of the telephone book.

Non-resident withholding tax

Clients who need information on the procedures for deducting, remitting, and reporting non-resident withholding tax can get help from their tax services offices or from the International Tax Services Office. Office addresses and telephone numbers are listed in Appendix C.

Registered Pension Plan Annual Information Return

Administrators of registered pension plans have to file an annual information return with both Revenue Canada and a provincial pension plan regulator. In provinces where the provincial regulator collects information for us at Revenue Canada, plan administrators only file one joint return with the province, by the provincial deadline. Both Revenue Canada and the provinces use the plan year, rather than the calendar year, as a basis for the return, so plan administrators do not have to convert their records from one year end to the other.

In provinces that do not have an agreement with us, plan administrators have to file a Registered Pension Plan Annual Information Return with us no later than 180 days after the plan's year end.

For information on filing a joint return, or to get a copy of the return, clients can contact their provincial pension plan regulators.

For information on filing Form T244, Registered Pension Plan Annual Information Return, clients

can contact the Registered Plans Division, at **(613) 954-0419** for service in English or **(613) 954-0930** for service in French. Copies of Form T244 are also available at tax services offices listed in Appendix C.

Scientific research and experimental development (SR&ED) investment tax credit

At Revenue Canada, we have an SR&ED claimant service to help individuals and businesses who have never filed a claim for the SR&ED investment tax credit. The service makes prospective claimants aware of the incentives to file, including the new 18-month filing deadline.

The service informs potential claimants about our program through information sessions that address the special needs of first-time SR&ED claimants. At these sessions, staff members explain what SR&ED means under the *Income Tax Act* and Regulations, describe eligible work, explain which expenses qualify for the credit, and describe the documents needed to make a claim. Clients can get information about these sessions by calling the general enquiries number at any tax services office and asking for the SR&ED co-ordinator. We also have a form and guide to help clients making claims for the SR&ED credit.

To improve client service, we have streamlined the SR&ED process by:

- reducing the time limit for issuing refunds to small corporations to a target of 120 days; and
- within the target of 120 days, informing large companies about whether we accept their claims as filed, or if we will audit them. If we will be auditing, we notify claimants about when the audit will start.

We also have a 60-day fast track for SR&ED claims when we have no concerns about a company during the initial review of its SR&ED claim.

Small business information seminars

We offer small business seminars to inform new or prospective businesses about need-to-know information on their rights and obligations under the customs, excise, GST, and income tax legislation, and about the services and help available to them.

These seminars are divided into four modules: Government services, the basics of customs, the GST, and income tax. Topics include the many services available throughout the federal government, information about government legislation, the types of income to report and expenses we allow, maintaining records, calculating GST input tax credits, processes for importing and exporting, filing requirements, and rights and obligations.

We work with the provinces to offer these seminars throughout the year on a modular basis, days or evenings. There is no charge for this service. The total time needed to present all four modules is about 7.5 hours.

Clients interested in attending either a module or the entire seminar can contact their nearest customs border services office (see Appendix D) or tax services office (see Appendix C).

Tables on diskette (TOD)

Tables on diskette (TOD) is an easy-to-use computer program that helps employers determine payroll deductions. It saves time by calculating all deductions simultaneously for any pay period, province, or territory. A single diskette contains the text and tables of 26 different publications.

TOD can be used in place of the paper tables and is available free of charge. By eliminating the need for paper and by providing a reusable diskette, TOD is environmentally friendly. TOD also calculates deductions from commission and bonus payments and determines tax deductions when the employee is exempt from Canada Pension Plan or Employment Insurance. With TOD, clients can print TD1 or TD1X forms on site, as well as any page of the tables. Future enhancements will make it possible to print other forms or perform other payroll functions.

TOD is available at tax services offices, or can be downloaded from the Internet (see page 11) or the Electronic Document Distribution System (see page 10). The program comes in both Windows and DOS formats. We will automatically mail diskettes to clients identified as TOD users. Clients who do not want to use TOD can still get the payroll deductions tables on paper.

Chapter 3 – Customs

Travellers

Assessment of duties and taxes

Most Canadians returning to Canada after a foreign trip are quite familiar with their entitlements and obligations for declaring imported goods, and paying duties and taxes. Pamphlets such as *I Declare* provide simple explanations for travellers dealing with customs. (See also "Assessment of duties and taxes" under "Commercial clients" on page 37.)

Canada – United States of America Accord On Our Shared Border

This undertaking commits the two countries to border-service programs that promote international trade, reduce the cost and burden of compliance, promote tourism, improve service, increase trade, and speed the movement of goods and people between Canada and the U.S. The Accord also strengthens enforcement by focusing on the smuggling of guns, drugs, and other contraband, and on high-risk travellers. The programs will use state-of-the-art technology and automated devices, and will save Canadian taxpayers money.

Revenue Canada, Citizenship and Immigration Canada, the U.S. Customs Service, and the U.S. Immigration and Naturalization Service are working together to improve services for travellers at land border crossings, airports, and on common waterways.

Initiatives will include:

- establishing a joint program for frequent travellers at land and marine border sites and airports;
- developing a joint client services program to help the trading community and the travelling public;
- pursuing an agreement on sharing responsibility for asylum seekers;
- streamlining the processing of commercial goods; and

 reducing costs by sharing equipment, buildings, and joint new construction.

We at Revenue Canada will undertake a series of projects to test alternatives that we will eventually introduce across Canada.

CANPASS Program

CANPASS includes five initiatives under the Accord. One of the Accord's long-term goals is to have an integrated program with one application process for entering both Canada and the U.S. at major border crossings and airports. Through CANPASS, we can preapprove frequent, low-risk travellers to pass quickly and easily through customs.

CANPASS – Airport – This program started in Vancouver in the fall of 1995, and will expand to other international airports across Canada in the future.

Preapproved travellers can enter Canada using their CANPASS access cards, which include a personal identifier, at a CANPASS kiosk. They can also use the kiosk to declare any goods they are importing, and will receive a receipt as proof of their declaration. Customs and immigration officers monitor the kiosk and continue to check travellers regularly.

CANPASS – Highway – This program is based on the Peace Arch Crossing Entry (PACE) Program which began in Douglas, British Columbia, in 1991. The program has expanded to the Boundary Bay, Pacific Highway, and Huntington border crossings in the lower mainland of British Columbia, and has been introduced in Saint-Bernard-de-Lacolle, Quebec.

Participants receive CANPASS decals for their windshields that allow them to use a special CANPASS lane. Customs officers visually monitor the lane for the decals and use the Primary Automated Lookout System (described on page 37) to read vehicle licence plates. Preapproved travellers importing goods while using the CANPASS lane must have a valid credit card to use a special declaration system. Any duties and taxes owing are automatically charged to their credit cards.

CANPASS – Private Aircraft – This is a national telephone reporting system for travellers using preapproved airports. All travellers flying in private aircraft have to call 1-888-CANPASS, (1-888-226-7277), to contact the Department before leaving the U.S., to verify their eligibility to enter Canada. Now, these travellers can apply for preapproved clearance, which speeds up customs procedures when they arrive in Canada. They are still responsible for any taxes and duties owing, and are subject to spot checks.

CANPASS – Private Boats – Under this program, travellers in private boats report to the Department by telephone before entering Canada. Travellers in private boats who have a preapproval permit can enter the country at any preapproved marina. Those without a permit can only enter at designated marinas.

Travellers have to call 1-888-CANPASS (1-888-226-7277) shortly before leaving the U.S. If they have goods to declare, they are responsible for any taxes and duties owing, and are subject to customs and immigration spot checks.

CANPASS - Remote Permit Ports - This initiative allows preapproved local residents to cross the border when their local customs offices are closed. Canada and the U.S. began jointly testing this program in 1995. Six pilot sites were selected for this initiative. One site uses a control gate with voice-recognition technology, and the other five sites use, or will use, licence-plate-reader technology. Any preapproved travellers having goods to declare use a special declaration system that is linked to their credit cards. Participants complete their declaration cards, drop them in a special box, and any duties and taxes owing are automatically charged to their credit cards. Teams of customs officers periodically monitor the locations.

For information on commercial initiatives under the Accord, see page 38.

Convention services

At Revenue Canada, we recognize the importance the meeting, convention, and incentive-travel (MCIT) industry has to the Canadian economy. In partnership with other government departments, we are streamlining processes at the border to make it easier to hold an international event in Canada.

We are the single point of contact for all government services the MCIT industry requires. One phone call provides access to a network of federal departments and officials who will ensure that all border requirements related to the event are identified early in the planning process. We also have regional conventions co-ordinators across the country who are available to assist members of the industry by providing services in or near the city where their event is being held.

For more information on convention services, clients can contact the National Conventions Services Co-ordinator in Ottawa at (613) 941-3123, or the nearest customs border services office listed in Appendix D.

Customs Casual Refund Centres

Casual Refund Centres process requests for refunds of non-commercial (casual) shipments imported by mail or courier, or brought in by travellers. The eight refund centres requisition refund cheques, where appropriate, for customs duties, GST, and provincial sales tax collected at the time of import. Clients can use the simplified Form B2G, Customs Informal Adjustment Request, to request a refund of duties and taxes on imported casual goods. Clients can get Form B2G at customs border services offices, or on the back of Form E14, Customs Postal Import Form.

Duty exemptions for travellers

Personal exemptions

To qualify for a personal exemption, a traveller must be:

- a Canadian resident returning from a trip abroad;
- a former Canadian resident returning to live in Canada; or
- a temporary resident of Canada (e.g., a foreign student living in Canada for a specific period of time).

Children and infants qualify for personal exemptions as long as the imported goods are for the use of the child or infant. The parent or guardian makes the customs declaration for the child.

After an absence of 24 hours or more, travellers can claim an exemption of up to CAN\$50. If the value of the goods is more than CAN\$50, the traveller cannot claim the exemption, and must pay duties and taxes on the entire amount. The goods must accompany the traveller on the return trip to Canada, and cannot include alcohol or tobacco products.

After an absence of 48 hours or more, travellers can claim an exemption of up to CAN\$200. The goods must accompany the traveller on the return trip to Canada and can include alcohol and tobacco products.

After an absence of seven days or more, travellers can claim an exemption of up to CAN\$500. The goods can accompany the traveller on the return trip or, with the exception of alcohol or tobacco products, may follow later by mail or other means.

Travellers cannot combine or transfer exemptions, or carry over an unused portion of an exemption for another period of absence.

Alcohol and tobacco

Alcohol and tobacco products can be included in the 48-hour and 7-day exemptions and must accompany the traveller on the return trip to Canada. Travellers must meet the age requirements set by the province or territory where they enter Canada.

Returning residents are allowed up to 200 cigarettes, 50 cigars or cigarillos, 200 tobacco sticks, and 200 grams of manufactured tobacco. Quantities of more than these amounts are subject to all applicable duties and taxes.

Travellers returning to Canada with alcoholic beverages are allowed up to 1.14 litres (40 oz.) of wine or liquor or 24 335-ml (12-oz.) cans or bottles of beer or ale. Quantities of more than this amount must be within the limits set by the province the traveller is entering, and are subject to all applicable duties and taxes.

Restrictions

Additional rules and restrictions apply to importing:

- antiquities or cultural objects
- dairy products
- endangered species
- explosives
- firearms and ammunition
- fireworks
- fresh fruit and vegetables
- live animals and animal products
- meat and poultry
- motor vehicles

For more details on travellers' rights and obligations, please refer to the pamphlet *I Declare*, which is available at any customs border services office or border location.

Duty-free shops

Duty-free shops are retail stores operated by the private sector, where duty- and tax-free goods are sold to travellers leaving Canada, for direct export. Canada has 19 duty-free shops at airports and 37 at land border crossings throughout the country. Goods in duty-free shops are not for domestic consumption and must be exported when they are purchased. Some of these stores also provide a variety of services to the travelling public, such as the GST Visitor Rebate Program, currency exchange, and travel insurance.

To receive a rebate of up to CAN\$500, non-resident visitors have to present their original receipts and photo identification at a participating duty-free shop when they leave Canada. In addition, they must have the goods available for duty-free shop staff to examine. If they do not have the goods with them, they have to provide proof that they exported the goods from Canada.

All participating duty-free shops at land border crossings will process the Manitoba and Quebec sales tax rebates at the same time as the GST visitor rebate, regardless of where a non-resident visitor leaves Canada. Duty-free shops in airports do not participate in the Visitor Rebate Program.

International Project Return

The Our Missing Children program is a joint initiative among the RCMP's Missing Children's Registry, Revenue Canada's International Project Return, and Citizenship and Immigration Canada that helps locate abducted and missing children and return them to their proper guardians. At Revenue Canada, we have more than 3,500 customs officers on the alert for abducted children and runaways at international airports and land border crossings.

International Project Return is also part of a network of agencies from more than 40 countries. This network regularly exchanges information to help member agencies find missing children and reunite them with their families.

People crossing international borders should remember that customs and immigration officers are on full alert for children who need protection. For this reason, children or youths travelling without proper identification or with adults who are not their legal guardians may be interviewed more thoroughly.

To help avoid delays at international borders, travellers should always carry identification for their children, no matter how old their children are. If travellers are separated or divorced, they should also carry legal documents about custody rights. In addition, if they are not the legal guardian of the child, they must carry a letter of permission from the legal guardian that authorizes them to have custody of the child when entering Canada.

For more information, clients can call **(613) 990-8585**, 24 hours a day. People with information on missing children can call toll free at 1-800-THE LOST (1-800-843-5678). We pass on all leads to the RCMP's Missing Children's Registry.

NAFTA information services for travellers

Customs procedures have not changed for the travelling public under the North American Free Trade Agreement (NAFTA). However, travellers are entitled to reduced rates of duty on qualifying U.S. and Mexican goods.

For more information, travellers can consult our Internet site (see page 11), or publications such as I Declare, Bringing Back Goods from the United States, and Bringing Back Goods from Mexico, which contain NAFTA duty rates.

Clients can also get information from the Automated Customs Information Service (ACIS) by calling the phone numbers listed in the section on ACIS on page 10, or by contacting any customs border services office listed in Appendix D.

Postal Import Control System (PICS)

At Revenue Canada, we process incoming international mail and items at five customs mail centres. These centres are in Canada Post facilities in Calgary, Montréal, Toronto, Vancouver, and Winnipeg.

Customs officers screen all mail items to determine if they are admissible and release the items not subject to duty or the GST, and items that are exempt under the *Postal Import Remission Order* or gift exemptions. They return these items to Canada Post for immediate delivery.

For goods with duties and taxes owing, PICS generates a Form E14, *Customs Postal Import Form*, which shows the duties and taxes for all commercial goods under CAN\$1,600 and all non-commercial goods regardless of value. We then give the parcel, with Form E14 attached, to Canada Post to deliver and collect duties and taxes, plus a \$5 handling fee, from the importer. We hold commercial goods worth CAN\$1,600 or more until customs accounting is complete.

Primary Automated Lookout System (PALS)

Revenue Canada and Citizenship and Immigration Canada have established a lookout system for high-risk travellers, such as terrorists and drug smugglers. Under PALS, customs officers have a passport reader and licence-plate reader tied to an immigration and customs database, which gives them information on high-risk travellers.

This system, which speeds up processing and screens travellers more accurately than manual methods, is in place at major airports and land border crossings.

Self-declaration system (SDS)

Revenue Canada is testing a self-declaration system to make the duty-collection process faster for travellers. Using this system, travellers can complete a form to declare goods they purchased outside Canada before they arrive at customs. The system uses a set of basket-tariff items (similar items grouped under a single tariff rate) to identify duties and taxes on given goods.

Small Vessels Permit System

Under the Remote Area Border Crossing (RABC) permit system, preapproved boaters

can cross the border without reporting to customs, as long as they are not importing goods. Permit holders importing goods make their declarations to customs by phone before leaving the United States. Customs officers then give them a reference number and instructions on how to pay duties and taxes.

Since RABC began as a pilot project in northwestern Ontario in 1991, the Department has set up similar systems for Canadian residents in limited areas of Quebec. In the spring of 1995, the program expanded to other areas of Quebec and Northern Ontario. Eventually, this preapproval program for small vessels and a 1-800 number telephone reporting system will expand to all common waterways on the Canada-U.S. border.

Travellers Entry Processing System (TEPS)

To improve service to the public, the Department has introduced the Travellers Entry Processing System (TEPS). TEPS is a computerized system that makes it easier for customs officers to determine tariff classifications and complete the documents for travellers clearing customs. TEPS has reduced processing time from 10 minutes to about 2.5 minutes per traveller.

Commercial clients Assessment of duties and taxes

Experienced importers and agents carry on most of Canada's commercial import business. People wanting to import goods into the country can contact their customs border services offices for information and help before importing, or refer to the publication *Guide to Importing Commercial Goods*.

Local customs staff can call on specialists and administrators knowledgeable in customs tariff issues, valuation, origin requirements, and duties relief programs. Appendices D and E list addresses and phone numbers for customs border services and trade administration services offices.

For interpreting policy and resolving complex cases, regional and headquarters staff members help clients in the areas listed under "Trade administration" on pages 45 and 46.

Canada – United States of America Accord On Our Shared Border

Commercial initiatives are being developed under the Accord to streamline customs clearance and reduce commercial traffic congestion. These initiatives include the Commercial Vehicle Processing Centre (CVPC) and the North American Trade Automation Prototype (NATAP).

For information on Accord initiatives relating to travellers, see page 33.

Commercial Vehicle Processing Centre (CVPC)

At the Fort Erie-Buffalo border crossing, southbound commercial traffic congestion is a serious problem. In an effort to reduce congestion on the bridge, the Buffalo-Fort Erie Public Bridge Authority is planning to construct a CVPC facility in Fort Erie to control U.S.-bound commercial traffic.

As an Accord initiative, Revenue Canada and the U.S. Customs Service are considering expanding the scope of the CVPC to include prearrival processing of U.S.-bound commercial traffic. This prearrival processing agreement would become the model for other sites where similar traffic congestion problems exist.

North American Trade Automation Prototype (NATAP)

NATAP is an electronic-commerce initiative being developed by Canada, the United States, and Mexico. Its purpose is to streamline the customs clearance of commercial goods through common data elements, documents, and processes. NATAP is also evaluating the use of Intelligent Transportation Systems (ITS) and the concept of a seamless border for low-risk cargo and preapproved drivers.

The prototype is a low-volume test of the new concepts, and operates parallel to the current system. It allows the Department to experiment with and evaluate:

- a system based on electronic commerce;
- a standard North American data and transaction record;
- communications technologies such as the Internet; and
- state-of-the-art transponder and radiofrequency devices.

Concepts proven successful through NATAP will be incorporated into the mainstream systems of all three countries.

Courier Low-Value Shipment (LVS) Program

This program reduces the cost of doing business by simplifying procedures, and speeding up the release process. For commercial imports of less than CAN\$1,600, the LVS Program allows companies to submit one monthly consolidated accounting report instead of accounting individually for each low-value shipment. The LVS Program helps business by:

- allowing faster release of shipments;
- extending the accounting period for low-value shipments;
- lowering accounting costs for business;
- reducing cargo handling and warehouse space for couriers; and
- reducing the documents, records, and transactions required.

Except for controlled, prohibited, or regulated goods, the program is available to both commercial importers of low-value goods who use interim accounting, and bonded commercial carriers who:

 arrange with licensed customs brokers or importers to account for goods released under the program;

- arrange with the Department to present and open shipments on request at a suitable location; and
- satisfy the Department that they maintain adequate records for audit purposes.

Customs trade seminars

At Revenue Canada, we host trade seminars to give importers and exporters (especially smalland medium-sized businesses) information on the rules and procedures for import and export.

Activities at the one-day seminars include:

- information sessions on a variety of customs matters, such as the basic import process, exporting from Canada and importing into the U.S., tariff classification, valuation, and origin and duties-relief programs; and
- an exhibit area with booths representing Revenue Canada, the U.S. Customs Service, other Canadian government departments, and related trade associations.

We have hosted trade seminars in a number of centres (Calgary, Halifax, London, Montréal, Toronto, Vancouver, and Winnipeg), and plan to offer similar seminars in the future. For more information, clients can contact the Customs Border Services Branch in Ottawa at (613) 957-7252.

Electronic data interchange (EDI)

We at Revenue Canada have implemented several EDI systems to streamline the customs commercial process.

Accelerated Commercial Release Operations Support System (ACROSS)

The Accelerated Commercial Release Operations Support System (ACROSS), implemented in April 1996, is one of our reengineering initiatives. This new system allows importers and brokers to exchange information with customs electronically before the goods arrive at the border. This speeds up release times and reduces the workload associated with low-risk shipments, because the information can be transmitted, from anywhere in Canada, two hours to 10 days before the goods arrive at the border. ACROSS provides many benefits to commercial importers and strengthens our ability to protect both the Canadian society and economy.

By expanding the use of electronic commerce, ACROSS will improve services and streamline processes by:

- reducing paper handling costs;
- transmitting cargo (marine and rail) and release data nationally, 24 hours a day, 7 days a week;
- eliminating rekeying of data;
- eliminating paper permits for Foreign Affairs and International Trade Canada;
- managing customs workloads electronically;
- eliminating the physical presentation of release data; and
- improving compliance verification by using more sophisticated and powerful targeting tools.

Customs Automated Data Exchange (CADEX) System

CADEX enables importers and brokers to electronically send import data for goods already released. Participants can also access certain customs files, and receive accounting data, release notifications, file updates, and an overdue release report. Implemented in 1988, CADEX was our first customs EDI system.

Customs Declaration (CUSDEC) Message

CUSDEC has basically the same function as CADEX. However, the CUSDEC message is an approved EDI international standard, whereas the CADEX version is proprietary. We first implemented CUSDEC in 1992.

Release Notification System (RNS)

RNS electronically notifies importers and brokers, warehouse operators, and carriers of customs releases. RNS includes the following features:

- delivery instructions participants can attach delivery instructions to a release record before the goods arrive;
- processing acknowledgement participants can receive an automatic status message, or they can ask the system for information on the status of their shipments;
- arrivals notification participants notify us of the arrival of goods and receive a status message of "released" or "referred"; and
- automatic release notification participants automatically receive a notification when we release their goods.

Export reporting

Complete and accurate export trade data allows Canada to:

- facilitate trade:
- negotiate new international trade agreements;
- administer existing international trade agreements;
- ensure equitable access to foreign markets;
 and
- ensure compliance with existing laws.

Under the *Customs Act*, exporters must report, in writing, all goods shipped out of Canada before they are exported. An export report has three elements: Form B13A, *Export Declaration*, or summary report; all certificates, licences, or permits required to export goods that are prohibited, controlled, or regulated by an Act of Parliament; and the cargo report (transportation documents and customs cargo control documents).

Exporters can declare their exports on a transactional basis, and can use Form B13A for

this purpose. With customs approval, exporters can also declare their exports on a monthly basis using the summary reporting program. Exporters using monthly summary reporting must continue to submit permits, certificates, and licences at the port of exit before export.

Exporters have to report all goods subject to export control and all goods valued at CAN\$2,000 or more destined to countries other than the U.S. Goods subject to export controls include strategic, embargoed, and dangerous goods; endangered species; and other controlled or regulated goods.

Exporters no longer need Form B13A for goods destined for consumption in the U.S. However, before shipping controlled, regulated, or prohibited goods, regardless of the value or destination, exporters have to provide customs with the required permit, certificate, or licence. Canadian goods exported to the U.S. must meet all licence, permit, or certificate requirements as well as other criteria set out by the regulating government department.

Statistics Canada uses the information from Form B13A and the monthly summary report, as well as data obtained under a data-sharing agreement with the U.S. government, to compile Canada's export trade statistics.

Methods to streamline the reporting process are being developed in consultation with exporters. This initiative is part of the Department's ongoing commitment to improve service to the exporting community.

More information on export reporting requirements is available through ACIS (see page 10), or through the regional export co-ordinators (see Appendix D for telephone numbers). Clients can also reach the Export Section in Ottawa by phone at (613) 954-7160 or by fax at (613) 952-1698.

Line Release System

We at Revenue Canada designed the Line Release System to help importers of commercial shipments by speeding up the clearance of shipments at border or inland customs locations. Its processes provide the importing community with quicker, more efficient service so that it can stay competitive in an everchanging marketplace.

The Line Release System incorporates two distinct service options:

Frequent Importer Release System (FIRST)

FIRST enables customs to release repeated low-risk shipments, (e.g., bulk loads like sand or gravel, and single-commodity shipments), for frequent importers. An importer with a high degree of voluntary compliance with departmental regulations can apply to us for authorization to use FIRST. When the goods of an importer with FIRST privileges arrive at the border, a customs officer examines the FIRST documents and decides whether to examine or release the shipment.

Prearrival Review System (PARS)

PARS enables customs to process release information before a commercial shipment arrives in Canada. Importers or brokers have to provide customs with release documents, or release data via EDI, at least two hours before the shipment arrives. Customs processes the documents, or data, and recommends that the shipment either be examined or released. When the goods arrive, they may be processed at the Primary Inspection Line, through a counterrelease process, or by an arrival notification being sent electronically through the Release Notification System (RNS).

We refer to the Prearrival Review System by different acronyms depending on how the goods are transported, and where they are to be released. At border locations where goods arrive by highway, the acronym is PARS. At locations where the goods arrive by rail, the acronym is RAILPARS. Similarly, marine freight is MARINEPARS and air freight is AIRPARS. Goods clearing at inland highway sufferance warehouses are processed under INPARS. An importer or broker who has release before payment account security privileges, the ability to receive invoice and manifest information, and who provides this

information to us before a shipment arrives, can use any of these prearrival review processes.

PARS and FIRST are available at all automated frontier border crossings. INPARS is now at many of the inland sites and is available to interested participants on request. Other features of PARS (i.e., air, marine, and rail), as well as a process for inland FIRST, are available on request from a limited number of inland sites.

For more information on the Line Release System, clients should contact their nearest customs border services office listed in Appendix D.

NAFTA information services

Customs procedures have not changed for most of Canada's importing community under the North American Free Trade Agreement (NAFTA). However, for the textile, apparel, chemical, and automotive sectors, there are significant differences. NAFTA commercial information is available through ACIS (see page 10). We also have the following customs information services available to answer questions on NAFTA customs procedures.

Electronic bulletin board

This automated system has nine categories of information:

- Anti-dumping and Countervailing Directorate;
- customs notices;
- GATT (WTO Agreement) information;
- general information;
- national customs rulings;
- new departmental memoranda;
- origin news;
- seasonal duties on fruits and vegetables (B-memoranda); and
- tariff updates.

Clients can access the electronic bulletin board at no charge with a modem, a communications software package, and the following computer set-up:

■ baud rate 2400

parity N

■ bit 8

■ bit stop 1

They can then call the bulletin board toll free at 1-800-267-5979.

Information on the World Trade Organization Agreement Implementation Act can be found under the menu item "GATT (WTO Agreement) information." As well as general information on the WTO agreement, the bulletin board has information on the first-come, first-served tariff rate quota levels. We update this information daily.

For more information on the bulletin board, clients can call the Manager, Tariff Systems, Trade Administration Branch at (613) 941-2146.

NAFTA enquiry line

Clients can call **1-800-661-6121** or **(613) 941-0965** between 8:00 a.m. and 5:00 p.m. Eastern Time, Monday through Friday, for answers to questions on NAFTA. After 5:00 p.m., clients can leave messages, and their calls will be returned the next working day. They can also fax their questions to **(613) 952-0022**.

Our NAFTA publications and customs notices are available by calling or faxing the NAFTA enquiry line.

The United States and Mexico have set up their own NAFTA enquiry lines. For U.S. customs information (service available in English only), call (214) 574-4061 or 1-800-829-1906 (from Canada only). For Mexican customs information, call 52-5-211-3545 (service available in Spanish only). For service in Spanish and English call (214) 574-4061 or 1-800-829-1906 (from Canada only).

Publications

Many of our publications, including NAFTA publications are on our Internet site at: http://www.rc.gc.ca

Seminars and conferences

At Revenue Canada, we provide speakers and experts to answer questions about NAFTA and how it affects members of national associations, or other interested parties such as U.S. or Mexican exporters, Canadian importers, or customs brokers. Clients can call Trade Obligations at (613) 952-3483 or (613) 952-8157 to arrange for speakers.

Workshops for business

We help associations and businesses develop training packages for various sectors to help businesses most affected by NAFTA understand the new rules. Clients can call Trade Obligations at (613) 952-3483 or (613) 952-8157 for more information.

National Customs Rulings Program

A national customs ruling (NCR) is a written statement we give importers or their agents. The ruling states how we will apply specific provisions of existing customs legislation to an importation. NCRs apply to the following departmental programs: tariff classification, origin, and value for duty. For reference, we have published the policy portion of a number of these NCRs in departmental memorandum D11-11-2.

The NCR program gives businesses certainty by providing them with rulings on their customs liabilities that will be honoured nationally. We offer this service within 30 days for regular cases and 120 days for complex cases or cases needing a verification audit. Rulings are binding on both us and the importer. Importers have to provide all relevant information.

Importers or their agents have to submit a request for an NCR in writing to the Chief, Rulings and Appeals, Trade Administration Services, at their regional trade administration services offices (see Appendix E for addresses). These offices also have more information about the program.

New Business Relationship initiatives

The New Business Relationship reduces the administrative burden on businesses, and offers them gains in efficiency to help them maintain a competitive edge. Under this client-centred approach, we at Revenue Canada consider a company's capabilities, business needs, and record of compliance when choosing the customs practice that best meets the needs of both the company and us.

Testing of the procedures began with the aerospace and automotive sectors in 1993 and 1994. The concepts tested form the basis of a streamlined customs commercial process with a client focus. We continue to foster a co-operative working relationship that enables both businesses and Government to respond to the changing trade environment. For instance, procedures for reporting, release of goods, accounting, verification, adjustment, and redress are being more closely aligned with modern-day business practices for global trade.

When fully implemented, the New Business Relationship will include the following initiatives:

- Qualified companies will have more options for reporting and releasing goods, to improve the speed and certainty needed for "just-in-time" inventories. Companies may be eligible for these options based on their client profiles with us.
- The Accelerated Commercial Release Operations Support System (ACROSS), described on page 39, allows clients to have their goods released electronically.

- We are developing systems to expand the current methods of accounting and paying for customs transactions with options that reflect the environment business works in. These options also reflect our practices for income tax and GST. We are moving towards an environment where businesses periodically assess the duties and taxes they owe, correct previous transactions, and offset duty and tax liabilities with refunds. They then make a single payment, using either electronic funds transfer or direct deposit.
- Although we will continue to review customs transactions for individual shipments, we will progressively use a wider range of options to verify compliance. Where possible, we will assess compliance through periodic verification, using on-site and desk reviews. Through periodic verification, we can determine a company's compliance based on its trade activity over a specified period rather than on individual transactions. This allows us to consider a company's total business operation. At the same time, we can provide better client services, to ensure the company benefits from all its entitlements and complies with its obligations.
- As periodic verification progresses and client data is collected, client industry sector profiles are becoming more clearly defined. This adds a further dimension to our client picture and allows us to become more responsive to individual client needs. For example, the process of reengineering began in the aerospace and automotive sectors. The concept of a client account representative is being developed to increase and facilitate the flow of information between business partners and trade administration. This information flow will improve both service and compliance in a self-assessment environment.

Joint services with Agriculture and Agri-Food Canada project

We at Revenue Canada are working closely with Agriculture and Agri-Food Canada (AAFC) to improve border service for agricultural importers, and to increase compliance with federal regulations for agri-food commodities.

Under a joint services initiative, customs officers have been designated under AAFC legislation and trained to assume increased responsibility for the release of specific low-risk agri-food commodities. This pilot project is running successfully at Kingsgate, British Columbia; Courts, Alberta; Sarnia, Ontario; and Saint-Bernard-de-Lacolle, Quebec. A final report is being prepared on national implementation.

In addition, since May 1996, we have been collecting inspection fees on behalf of AAFC. Under this joint venture, our cashiers across Canada collect inspection fees from AAFC clients at the time of importation, and forward these fees monthly to AAFC. By the end of 1996, we will also be providing AAFC with monthly importation reports to streamline their billing processes.

Joint services with Environment Canada project

At several sites in Quebec and Ontario, we at Revenue Canada are involved with Environment Canada in a pilot project to increase compliance with the *Convention on International Trade in Endangered Species of Wild Fauna and Flora* (CITES). To enhance service to importers and exporters, specially trained customs officers at these sites perform some of the functions of an Environment Canada wildlife inspector.

CITES-trained customs officers inspect, identify, and either release or detain routine or common products and derivatives of animals and plants CITES controls. They also verify permits, distribute validated permits, complete the Environment Canada identification form.

and provide CITES awareness training to fellow officers.

This initiative will be considered for national implementation based on evaluations prepared by each of the pilot sites.

Video teleconferencing – We are also enhancing our commercial services while improving CITES compliance with the video teleconferencing pilot between our inspection facility in Mississauga, and Environment Canada's office in Guelph. Using a video camera and a monitor, the customs officer transmits a digitized picture of an item to the receiving monitor at Environment Canada. The wildlife inspector can immediately identify the item without leaving his or her office. This speeds up the examination and release process and improves client service, by eliminating the wildlife inspector's weekly trip to our inspection facility to examine and release goods.

If the pilot is effective, the video teleconferencing partnership between us and Environment Canada is expected to grow, with transmission units being established at other major sites across the country.

Release of goods before paying duties and taxes

We allow importers who post security with us to have their commercial goods released before they pay duties and taxes. These importers pay their duties and taxes through a monthly payment program.

Importers who have posted security can request release of their goods on minimum documentation. The Release on Minimum Documentation (RMD) Program speeds up clearance through customs, by reducing the amount of information importers have to provide to us at the time of release.

Small business information seminars

We offer small business seminars to inform new or prospective businesses about their rights and obligations under the customs, excise, GST, and income tax legislation; and about services available to help them. Details on these seminars can be found on page 31.

Trade administration

Origin determination

Origin experts provide advice on origin determination and tariffs, including advice on which goods qualify for reduced or free duty rates under the North American Free Trade Agreement. For more information, clients can contact their regional trade administration services offices. Addresses and telephone numbers can be found in Appendix E.

Protection against unfair foreign competition

The Special Import Measures Act (SIMA) protects Canadian producers and manufacturers against unfair foreign competition from imports of low-priced dumped or subsidized goods.

"Dumped" goods are sold to importers in Canada at prices less than their selling price in the exporter's domestic market, or at prices less than their full cost. "Subsidized" goods get financial or commercial benefits from a foreign government that lower the price of goods exported to Canada. If these imported goods cause, or threaten to cause, injury to Canadian producers of similar goods, we at Revenue Canada can impose anti-dumping or countervailing duties on the import of these goods. For more information, clients can contact the Director General, Anti-dumping and Countervailing Directorate, at (613) 954-7269.

Tariff classification

Tariff experts provide advice on tariff classification and interpretation of the *Customs Tariff* (legislation describing goods and giving the rates of duty that apply to them). For more information, clients can contact their regional trade administration services offices. (See Appendix E for addresses and telephone numbers.)

Valuation

Valuation experts provide advice on the value for duty of goods, which is the base on which we assess import duties and taxes.

Departmental publications also help the importing community determine import values. For more information, clients can contact their regional trade administration services offices.

Duties relief programs

At Revenue Canada, we have a variety of programs that allow us to waive (relief), postpone (deferral), or refund (drawback), some or all of the duties and taxes that importers must pay. The following summary highlights some of the programs available.

Canadian Goods Abroad Program – This program allows for partial or full relief from paying customs duties and taxes on goods exported for repairs, additions, or work done abroad and later returned to Canada, as long as specific conditions are met.

Duty Deferral Program – This program includes the bonded warehouses, duties relief, and duty drawback programs.

Bonded warehouses

Bonded warehouses are facilities licensed to store both imported goods before release from customs, and goods destined for export.

While in the warehouse, we defer the total customs duties, excise taxes, GST, provincial sales tax, surtax, and countervailing duties. Clients can place goods in the warehouse for up to two years for basic goods, and up to 15 years for specified goods. Clients may be able to extend these periods when extenuating circumstances prevent clearing the goods within established time periods.

While in bond, goods can be maintained and serviced to comply with any applicable federal or provincial laws, or arranged to separate defective goods from prime-quality goods.

In addition, clients can relabel, repackage, store, inspect, display, test, destroy, or export goods in bond. However, this program does not allow full manufacturing in bond.

Duties relief

This program allows qualified companies relief from paying duties on imported goods as long as the companies eventually export the goods either in the same condition, or after being manufactured or used in a limited manner.

In most cases, imported goods intended for export from Canada may qualify for relief of customs duties, anti-dumping and countervailing duties, or excise taxes other than the GST. Although we do not provide relief of the GST under the Duties Relief Program, relief is available through the Exporter of Processing Services (EOPS) program. For more information on EOPS, clients can contact their regional trade administration services offices, listed in Appendix E.

Goods imported under the Duties Relief Program must be exported from Canada no later than four years from the date we release them. Imported spirits used to manufacture distilled spirits must be exported within five years.

Imported goods, other than fuel or plant equipment consumed or expanded to directly manufacture goods intended for export, are also eligible for relief of duties.

Imported and domestic goods of the same class, used interchangeably to manufacture products, some of which are exported, are also eligible for relief. We refer to this as "equivalence." There must be enough imported goods to produce the exported goods. The imported goods also have to be used before the domestic goods in the plant producing the exported goods. The finished product (using the imported goods), must be exported within two years of the imported goods release date. Equivalence

can only apply to goods that are further manufactured, including consumable and expandable goods.

Under this program, we can waive the duties on scrap or waste resulting from processing when the processed goods are exported. If the scrap or waste is dutiable if imported, and has a marketable value, it is not entitled to relief unless it is exported.

Duty drawback

This program helps Canadian companies become more competitive in export and domestic markets. Under the program, we can refund duties on imported goods when the goods are exported in the same condition, or are further manufactured or used in a limited manner to produce goods for export. This program has the same advantages and options as the Duties Relief Program. The only difference is that this program is for people who have already paid the duty and are asking for a refund.

Machinery Program – This program provides relief of customs duties on imported machinery and equipment not available from Canadian production. At the same time, the program offers Canadian manufacturers tariff protection on the machinery and equipment they produce.

Remission – We offer several remission programs to Canadian manufacturers and importers that provide relief from paying customs duties at the time of import, when the goods meet certain legislative conditions.

Temporary importations – There are also programs which provide relief from paying all or a portion of the customs duties for certain goods imported and later exported after being used in Canada for a specific purpose. In addition, we may consider certain goods non-taxable under the *Non-Taxable Imported Goods (GST) Regulations*. For more information, clients can contact their regional trade administration services offices, listed in Appendix E.

Appendix A – Some Revenue Canada publications

Many Revenue Canada publications are available in our local offices (see addresses in Appendices C, D, and E) as well as through our Web site (http://www.rc.gc.ca). Clients can also mail or fax the attached order form.						
Pl€	ease send me a copy of the following customs	publication	ns.			
Name		Address				
Telephone						
C	ustoms					
	Automated Customs Information Service (ACIS)		NAFTA Changes to Drawback and Duty Deferral			
	Bringing Back Goods from Mexico		NAFTA Customs Procedures Manual			
	Bringing Back Goods from the United States		NAFTA Origin Redetermination Requests by			
	CANPASS – Airport		Exporters or Producers			
	CANPASS – Highway		NAFTA Rules of Origin			
	CANPASS – Private Aircraft		Our Missing Children – International Project Return			
	CANPASS – Private Boat		Seasonal Residents			
	CANPASS – Remote Permit Ports		Settling in Canada			
	CANPASS – Tariff Guide		Trade Administration Bulletins (TAB)			
	Country-of-Origin Marking		☐ TAB 1 – Importing Without Paying the			
	Entering Canada to Study or to Work		Duties			
	Exporting Goods From Canada, How to Report Your Shipments		☐ TAB 2 – Claiming a Drawback on Exported Goods			
	Guide to Importing Commercial Goods		☐ TAB 3 – Claiming a Drawback for Obsolet			
	I Declare		or Surplus Goods You Destroy			
	Importing Commercial Goods Into Canada		TAB 4 – Claiming a Drawback for Exported Motor Vehicles			
	Importing a Firearm or Weapon Into Canada		☐ TAB 5 – Relieving Duties on Supplies for			
	Importing a Motor Vehicle into Canada		Government Contracts			
	Importing Non-Commercial Goods by Mail		☐ TAB 6 – Relieving Duties on Exported Goods for Ships Stores			
	Moving Back to Canada	П	Trilateral Customs Guide to NAFTA			
	NAFTA Advance Rulings Program		2			

Ple	ease send me a copy of the following excise or	GST publi	cations.
Name		Address	
Telephone			
	Air transportation tax memoranda (please specify) Excise duty circulars (please specify) Excise/GST News (specify issue) Excise tax memoranda (please specify) GST memoranda (please specify) GST Technical Information Bulletins (please specify) Basics for Farmers Basics for Fishermen Basics for Owners of Bed and Breakfast Accommodations Basics for Restaurateurs and Food Vendors Basics for Self-Employed Construction Tradespeople Basics for Self-Employed Craftspeople		Completion Guide and Form for Registrant Public Service Bodies' Rebate Doing Business in Canada: A Guide for Non-Residents Elections and Applications Federal Excise Gasoline Tax Refund Program General Information for GST Registrants GST: The Basics for Taxi and Limousine Operators Information for Charities Information for the Construction Industry Information for Municipalities Information for Non-Profit Organizations Information for Non-Resident Suppliers of Publications Information for Providers of Accommodations and Meeting Facilities
	Basics for Self-Employed Hairstylists, Beauticians and Barbers Basics for Self-Employed Performing Artists Basics for Self-Employed Truck Owners and		Information for Travel Agencies and Tour Operators Information on Tax Relief for Indians and Bands on Certain Settlements
	Operators Completion Guide and Form for Employee and Partner GST Rebate Completion Guide and Form for General Rebate Application		Publications Tax Refund for Visitors The Quick Method of Accounting – Guide and Election Form
	Completion Guide and Form for GST New Housing Rebate Completion Guide and Form for Non-Registrant Public Service Bodies' Rebate		

Ple	ease send me a copy of the following income to	ax publica	tions.
Na	ame	Address	
Te	lephone		
In	come tax		
	Alimony or Maintenance		Non-Profit Organization (NPO) Information
	Applicant's Guide for Electronic Filing		Return and Guide
	Business and Professional Income		Non-Residents and Temporary Residents of
	Canadian Residents Abroad		Canada Northern Residents Deductions
	Canadian Residents Going Down South		
	Capital Gains		Now that you have used EFILE Paying Your Income Tax by Instalments
	Computer Specifications for Data Filed on Magnetic Media		Plan Administrators' Past Service Pension
	Corporation Instalment Guide		Adjustment Guide Preparing Returns for Deceased Persons
	Electronic Filing (EFILE) – Questions and Answers		Rental Income
	Emigrants and Income Tax		Registering Your Pension Plan
	Employers' Guide to Payroll Deductions: Basic Information		RRSPs and Other Registered Plans for Retirement
	Employers' Guide to Payroll Deductions: Taxable Benefits		Students and Income Tax
			T2 Corporation Income Tax Guide
	Employers' Pension Adjustment Calculation Guide		$T3\ Trust\ Income\ Tax\ and\ Information\ Return$
			T4RSP and T4RIF Guide
	Employment Expenses		Tax Information for People with Disabilities
	Farming Income		Using Your Home for Day Care
	Fishing Income		When You Retire
	General Income Tax Guide		Your Appeal Rights Under the Income Tax Act
	Gifts and Income Tax		Your Child Tax Benefit
	Guide for Payers of Non-Resident Tax		Your Guide to the Charity Information Return
	Home Buyers Plan (HBP) – For 1997 Participants		
	Income Tax Guide and Return for Electing Under Section 216		
	Newcomers to Canada		

You are entitled to courteous and considerate treatment in

Courtesy and consideration

information or arranging for an interview or an audit. all your dealings with us, whether we are requesting

You are entitled to be presumed honest unless there is

Presumption of honesty

evidence to the contrary.



Revenue

Revenu Canada

COURTEOUS TREATMENT. OBLIGATIONS IS TO HELP YOU ARE ENTITLED TO A COMPLAINT IS ONE OF FAIR HANDLING OF A YOUR FUNDAMENTAL RIGHTS. ONE OF OUR YOU EXERCISE YOUR FAIR HEARING AND RIGHTS.

YOU ARE ENTITLED TO MANY OTHER RIGHTS UNDER THE LAWS OF CANADA.

KNOW YOUR RIGHTS AND YOU ARE ENTITLED TO

OF TAXPAYER RIGHTS DECLARATION

IN YOUR DEALINGS WITH REVENUE CANADA ON INCOME TAX MATTERS, YOU HAVE IMPORTANT RIGHTS

Information

You are entitled to complete and accurate information about the Income Tax Act, the entitlements it allows you, and the obligations it imposes on you.

Impartiality

the law. It is our job to collect only the correct amount of You are entitled to demand impartial application of tax, no more and no less.

Disputed amounts

on your objection. If you appeal to a higher court, you can extent the law allows, until our officers or a court decides You are entitled to withhold disputed amounts, to the put up security instead of paying the disputed amounts.

Bilingual service

you have been treated unfairly. You must exercise this right You are entitled to object to an assessment if you believe

Impartial review the law allows.

within a specific period. Once you have filed a notice of

objection, we will conduct an impartial review of your file.

If the matter is not resolved to your satisfaction, you can

appeal to the courts.

and financial information you provide us only for purposes

You are entitled to expect that we will use the personal

Privacy and confidentiality

You are entitled to service in the official language of your

YOU HAVE THE RIGHT TO EVERY BENEFIT THE LAW ALLOWS

You are entitled to arrange your affairs to pay the least amount of tax the law allows. We are committed to applying the tax laws in a consistent and fair manner. We will be firm with those who are guilty of tax evasion.

TO INSIST THAT THEY

BE RESPECTED.

Canada

Appendix C – Tax services offices and tax centres

ED identifies offices that have Excise Duty units

TIS identifies offices that have Technical Interpretation Services units

(Details on the services provided by these special units can be found under "Tax services offices" on page 17.)

Business window services (see details on page 27) are offered at 47 locations across Canada. Telephone and fax numbers are included in this appendix.

Newfoundland

St. John's St. John's Tax Centre

290 Empire Avenue St. John's NF A1B 3Z1

General Enquiries: (709) 772-2200

165 Duckworth Street (TIS)

P.O. Box 5968

St. John's NF A1C 5X6

General Enquiries: (709) 772-2610

1-800-959-8281

Prince Edward Island

Charlottetown 94 Euston Street (TIS)

P.O. Box 8500

Charlottetown PE C1A 8L3

General Enquiries: (902) 628-4200

1-800-959-8281

Summerside Summerside Tax Centre

275 Pope Road

Summerside PE C1N 5Z7

GST General Enquiries: 1-800-461-3567 Domestic Rebates: 1-800-565-9353 Visitor Rebates: 1-800-668-4748

Nova Scotia

Halifax 1256 Barrington Street (ED) (TIS)

P.O. Box 638

Halifax NS B3J 2T5

General Enquiries: (902) 426-2210

1-800-959-8281

Sydney 47 Dorchester Street

P.O. Box 1300

Sydney NS B1P 6K3

General Enquiries: (902) 564-7080

1-800-959-8281

Business window

Tel: (709) 772-2639 1-800-959-5525

Fax: (709) 754-5928

Business window

Tel: (902) 628-4227 1-800-959-5525

F-- (000) 2(0 0040

Fax: (902) 368-0248

Business window

Tel: (902) 426-5300

1-800-959-5525

Fax: (902) 426-7170

Business window

Tel: (902) 564-7099 1-800-959-5525

Fax: (902) 564-3095

New Brunswick

120 Harbourview Blvd. Bathurst

P.O. Box 8888

Bathurst NB E2A 4L8

General Enquiries: 1-800-959-8281

Business window

Business window

Tel: (506) 548-6744

Fax: (506) 548-9905

Tel: (506) 851-3727

Fax: (506) 851-7018

1-800-959-5525

1-800-959-5525

107-1600 Main Street (TIS) Moncton

P.O. Box 1070

Moncton NB E1C 8P2

General Enquiries: (506) 636-5999

1-800-959-8281

Business window

126 Prince William Street (TIS) Tel: (506) 636-4909 P.O. Box 6300

1-800-959-5525 Saint John NB E2L 4H9 Fax: (506) 636-5718 General Enquiries: (506) 636-5999

1-800-959-8281

Quebec

Saint John

211-100 Lafontaine Street Chicoutimi

Chicoutimi QC G7H 6X2

General Enquiries: (418) 698-5580

1-800-959-8281

Business window 255 Racine E., Suite 220

Chicoutimi QC G7H 7L2

Tel: (418) 698-5780

1-800-959-5525

Fax: (418) 698-5544

Business window

Tel: (819) 994-4045

Fax: (819) 994-1103

1-800-959-5525

Hull 16th floor

15 Eddy Street

Hull QC K1A 1L4

General Enquiries: (819) 994-1995

1-800-959-8281

Fax: (819) 994-1103

Jonquière Jonquière Tax Centre

> 2251 de la Centrale Blvd. Jonquière QC G7S 5J1

General Enquiries: (418) 699-0540

Laval 3131 St-Martin Blvd. W.

Laval QC H7T 2A7

General Enquiries: (514) 956-9101

1-800-959-8281

Business window

Tel: (514) 956-9120

1-800-959-5525

Fax: (514) 956-6915

Longueuil

1000 de Sérigny Street Longueuil QC J4K 5J7

General Enquiries: (514) 283-5300

1-800-959-8281

Montréal

305 René Lévesque Blvd. W. (ED) (TIS)

Montréal QC H2Z 1A6

General Enquiries: (514) 283-5300

1-800-959-8281

Business window

Tel: (514) 283-5585 1-800-959-5525

Fax: (514) 496-8143

Québec

165 de la Pointe-aux-Lièvres Street S. (ED)

Québec QC G1K 7L3

General Enquiries: (418) 648-3180

1-800-959-8281

Business window

Tel: (418) 648-5809 1-800-959-5525

Fax: (418) 648-4251

Rimouski

320 St-Germain Road E. Rimouski QC G5L 1C2

General Enquiries: 1-800-959-8281

Rouyn-Noranda

44 du Lac Avenue

Rouyn-Noranda QC J9X 6Z9

General Enquiries: (819) 764-5171

1-800-959-8281

Business window

Tel: (819) 764-3474 1-800-959-5525

Fax: (819) 797-8366

Shawinigan-Sud

Shawinigan-Sud Tax Centre

4695-12th Avenue

Shawinigan-Su'd QC G9N 7S6 General Enquiries: (819) 537-5192

Sherbrooke

50 Place de la Cité

P.O. Box 1300

Sherbrooke QC J1H 5L8

General Enquiries: (819) 564-5888

1-800-959-8281

Business window

Tel: (819) 821-4008 1-800-959-5525

Fax: (819) 564-4226

Trois-Rivières

111-25 des Forges Street

Trois-Rivières QC G9A 2G4

General Enquiries: (819) 373-2723

1-800-959-8281

Business window

Tel: (819) 373-8783

1-800-959-5525

Fax: (819) 371-2744

Ontario

Barrie

99 Ferris Lane (TIS)

Barrie ON L4M 2Y2

General Enquiries: (705) 739-6000

1-800-959-5525

Business window

Tel: (705) 739-6000

1-800-959-5525

Fax: (705) 721-0056

11 Station Street Belleville

Belleville ON K8N 2S3

General Enquiries: (613) 969-3706

1-800-959-8281

Business window

Tel: (613) 962-2563

1-800-959-5525 Fax: (613) 969-7845

Hamilton 150 Main Street W.

> P.O. Box 2220, Station LCD 1 Hamilton ON L8N 3E1

General Enquiries: (905) 522-8671

1-800-959-8281

3rd floor (TIS) 120 King Street W.

P.O. Box 2220, Station LCD 1

Hamilton ON L8N 3E1

Business window

Tel: (905) 570-7260 1-800-959-5525

Fax: (905) 572-2338

Kingston 385 Princess Street (TIS)

Kingston ON K7L 1C1

General Enquiries: (613) 545-8371

1-800-959-8281

Business window

Tel: (613) 547-7590 1-800-959-5525

Fax: (613) 545-5570

Kirkland Lake 145 Government Road W.

P.O. Box 4500

Kirkland Lake ON P2N 3R5

General Enquiries: (705) 568-4222

1-800-959-8281

Kitchener/Waterloo 166 Frederick Street (TIS)

Kitchener ON N2G 4N1

General Enquiries: (519) 579-2230

1-800-959-8281

Business window

Tel: (519) 579-0490

1-800-959-5525

Fax: (519) 579-4532

London 451 Talbot Street (TIS)

Mississauga

P.O. Box 5548

London ON N6A 4R3

General Enquiries: (519) 645-4211

1-800-959-8281

Business window

Tel: (519) 645-4223 1-800-959-5525

Fax: (519) 645-4029

77 City Centre Drive (ED) (TIS)

P.O. Box 6000

Mississauga ON L5A 4E9

General Enquiries: (905) 566-6700

1-800-959-8281

Business window

Tel: (905) 566-6702

1-800-959-5525

Fax: (905) 615-2453

North Bay

180 Shirreff Avenue (TIS)

P.O. Bag 4300

North Bay ON P1B 9B4

General Enquiries: (705) 494-7000

1-800-959-8281

Business window

Tel: (705) 494-7000 1-800-959-5525

Fax: (705) 494-7086

North York

1000-5001 Yonge Street (TIS) North York ON M2N 6R9

General Enquiries: (416) 221-9309

1-800-959-8281

Business window

Tel: (416) 221-5695 1-800-959-5525

Fax: (416) 218-4820

Oshawa

78 Richmond Street W. Oshawa ON L1G 1E1 (counter service only) Fax: (905) 725-3780

Ottawa

Ottawa Tax Centre Room 9088B

875 Heron Road

Ottawa ON K1A 1A2

General Enquiries: (613) 941-3333

1-800-461-5018

Fax: (613) 739-1147

333 Laurier Avenue (TIS) Ottawa ON K1A 0L9

Citawa ON KIA 01.9

General Enquiries: (613) 598-2275

1-800-959-8281

Business window

Tel: (613) 957-8109

1-800-959-5525

Fax: (613) 957-8130

1730 St. Laurent Blvd.

P.O. Box 8257

Ottawa ON K1G 5L1

(excise duty services only)

General Enquiries: (613) 998-9305

Fax: (613) 991-3901

International Tax Services Office

2204 Walkley Road Ottawa ON K1A 1A8

General Enquiries: (613) 952-3741

1-800-267-5177 (Canada and U.S.)

(613) 952-3741 (outside Canada and U.S., call collect)

Peterborough

5th floor (TIS)

185 King Street W.

Peterborough ON K9J 8M3

General Enquiries: (705) 876-6412

1-800-959-8281

Business window

Tel: (705) 876-7319 1-800-959-5525

Fax: (705) 876-6422

55

St. Catharines	32 Church Street (T	IS)		ness window
	P.O. Box 3038	I AD ADO	Tel:	(905) 688-3523 1-800-959-5525
	St. Catharines ON		Fax	(905) 688-5996
	General Enquiries:	1-800-959-8281	rax.	(903) 000-3990
Sault Ste. Marie	205 McNabb Street,	Suite 301 (TIS)	Busi	ness window
	Sault Ste. Marie ON	I P6B 1Y3	Tel:	(705) 941-5218
	General Enquiries:	(705) 941-5218		1-800-959-5525
		1-800-959-8281	Fax:	(705) 941-5387
Scarborough	200 Town Centre C			ness window
	Scarborough ON N		Tel:	(416) 954-0212
	General Enquiries:		_	1-800-959-5525
		1-800-959-8281	Fax:	(416) 954-5787
Sudbury	1050 Notre Dame A	venue (TIS)		ness window
	Sudbury ON P3A		Tel:	(705) 671-0541
	General Enquiries:		77	1-800-959-5525
		1-800-959-8281	Fax:	(705) 671-0405
Thunder Bay	130 South Syndicate			ness window
	Thunder Bay ON I		Tel:	(807) 623-3039
	General Enquiries:			1-800-959-5525
		1-800-959-8281	Fax:	(807) 622-8512
Toronto	36 Adelaide Street I			ness window
	Toronto ON M5C 1	-	Tel:	(416) 954-3400
	General Enquiries:		Е	1-800-959-5525
		1-800-959-8281	Fax:	(416) 954-5294
Windsor	185 Ouellette Aven	ue (TIS)	Busi	ness window
	P.O. Box 1655		Tel:	(519) 252-5829
	Windsor ON N9A			1-800-959-5525
	General Enquiries:		Fax:	(519) 252-1836
		1-800-959-8281		
Manitoba				
Brandon	2nd floor (TIS)		Busi	ness window
	153-11th Street		Tel:	(204) 726-7669
	Brandon MB R7A 7			1-800-959-5525
	General Enquiries:		Fax:	(204) 726-7868
		1 800 050 8281		

1-800-959-8281

Winnipeg

Winnipeg Tax Centre 66 Stapon Road

Winnipeg MB R3C 3M2

General Enquiries: (204) 984-2470

325 Broadway Avenue (TIS) Winnipeg MB R3C 4T4

General Enquiries: (204) 983-6350

1-800-959-8281

Business window

Tel: (204) 983-3918 1-800-959-5525

Fax: (204) 984-6752

Saskatchewan

Regina

1955 Smith Street (TIS)

Regina SK S4P 2N9

General Enquiries: (306) 780-6015

1-800-959-8281

1-800-959-5525

Fax: (306) 757-1412

Business window

Tel: (306) 780-7279

Saskatoon

340-3rd Avenue N. (TIS)

Saskatoon SK S7K 0A8

General Enquiries: (306) 975-4595

1-800-959-8281

Business window

Tel: (306) 975-5692 1-800-959-5525

Fax: (306) 652-3211

Alberta

Calgary 220-4th Avenue SE (ED) (TIS)

Calgary AB T2G 0L1

General Enquiries: (403) 221-8919

1-800-959-8281

Business window

Tel: (403) 221-8970 1-800-959-5525

Fax: (403) 691-6676

Edmonton

Suite 10, 9700 Jasper Avenue (TIS)

Edmonton AB T5J 4C8

General Enquiries: (403) 495-5400

1-800-959-8281

Business window

Tel: (403) 495-3200

1-800-959-5525

Fax: (403) 495-6407

Lethbridge

300-704 4th Avenue S. (TIS)

P.O. Bag 3009

Lethbridge AB T1J 4A9

General Enquiries: (403) 382-3013

1-800-959-8281

Business window

Tel: (403) 382-3049 1-800-959-5525

Fax: (403) 382-3052

Red Deer

4996-49th Avenue (TIS)

Red Deer AB T4N 6X2

General Enquiries: (403) 341-7006

1-800-959-8281

Business window

Tel: (403) 341-7047

1-800-959-5525

Fax: (403) 341-7053

British Columbia

201-4664 Lougheed Highway (TIS) Burnaby

P.O. Box 82110 Burnaby BC V5C 2J3

General Enquiries: (604) 689-5411

1-800-959-8281

Suite 490

4800 Kingsway Burnaby BC V5H 4J2 (excise duty services only)

General Enquiries: (604) 666-7673

Fax: (604) 775-6385

Kelowna 200-1835 Gordon Drive (TIS)

> P.O. Box 5181, Station A Kelowna BC V1Y 3H5

General Enquiries: (604) 470-6670

1-800-959-8281

Penticton 277 Winnipeg Street (TIS)

Penticton BC V2A 1N6

General Enquiries: (604) 492-9200

1-800-959-8281

Prince George 280 Victoria Street

P.O. Bag 7500

Prince George BC V2L 5N8

General Enquiries: (604) 561-7800

1-800-959-8281

Surrey Surrey Tax Centre

9755 King George Highway

Surrey BC V3T 5E1 (counter service only)

Vancouver 1166 West Pender Street (TIS)

Vancouver BC V6E 3H8

General Enquiries: (604) 689-5411

1-800-959-8281

Victoria 910 Government Street (TIS)

Victoria BC V8V 1X3

General Enquiries: (604) 363-0121

1-800-959-8281

Business window

Tel: (604) 666-4664

1-800-959-5525

Fax: (604) 666-1234

Business window

Tel: (604) 470-6600

1-800-959-5525

Fax: (604) 862-4744

Business window

Tel: (604) 492-9470

1-800-959-5525

Fax: (604) 492-9518

Business window

Tel: (604) 561-7800

1-800-959-5525

Fax: (604) 561-7869

Business window

Tel: (604) 669-2990

1-800-959-5525

Fax: (604) 691-4446

Business window

Tel: (604) 363-0500

1-800-959-5525

Fax: (604) 363-8188

Northwest Territories

Yellowknife 4920-52nd Street, Suite 902

Yellowknife NT X1A 3T1

General Enquiries: (403) 920-6650

1-800-959-8281

Yukon Territory

Whitehorse 120-300 Main Street

Whitehorse YK Y1A 2B5

General Enquiries: (403) 667-8154

1-800-959-8281

Appendix D – Customs border services offices

A Ithough this is a listing of main offices, Revenue Canada also has many local offices. You can find their addresses and telephone numbers listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Nova Scotia

Halifax

1809 Barrington Street Halifax NS B3J 3K8

General Enquiries: (902) 426-2911

Quebec

Montréal

400 Place d'Youville Montréal QC H2Y 2C2

General Enquiries: (514) 283-9900

Québec

130 Dalhousie Street P.O. Box 2267 Québec QC G1K 7P6

General Enquiries: (418) 648-4445

Ontario

Hamilton

400 Grays Road N. Hamilton ON L8E 3J6

General Enquiries: (905) 308-8715

Ottawa

2265 St. Laurent Blvd. Ottawa ON K1G 4K3

General Enquiries: (613) 993-0534

Toronto

1 Front Street W. P.O. Box 10, Station A Toronto ON M5W 1A3 General Enquiries: (416) 973-8022

Windsor

185 Ouellette Avenue P.O. Box 1655 Windsor ON N9A 7G7 General Enquiries: (519) 257-6400

Manitoba

Winnipeg

269 Main Street Winnipeg MB R3C 1B3

General Enquiries: (204) 983-6004

Alberta

Calgary

3033-34th Avenue NE, Suite 32 Calgary AB T1Y 6X2 General Enquiries: (403) 292-8750

British Columbia

Vancouver

333 Dunsmuir Street, Suite 503 Vancouver BC V6B 5R4

General Enquiries: (604) 666-0545

Appendix E – Trade administration services offices

A lthough this is a listing of main offices, Revenue Canada also has many local offices. You can find their addresses and telephone numbers listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Nova Scotia

Halifax

1557 Hollis Street P.O. Box 3080 Station Parklane Centre Halifax NS B3J 3G6

General Enquiries: (902) 426-2911

Québec

Montréal

400 Place d'Youville Montréal QC H2Y 2C2

General Enquiries: (514) 283-9900

Québec

130 Dalhousie Street P.O. Box 2267 Québec QC G1K 7P6

General Enquiries: (418) 648-4445

Ontario

Hamilton

400 Grays Road N. Hamilton ON L8E 3J6

General Enquiries: (905) 308-8715

London

10th floor 451 Talbot Street P.O. Box 5940, Station A London ON N6A 4T9

General Enquiries: (519) 645-5843

Ottawa

2265 St. Laurent Blvd. Ottawa ON K1G 4K3

General Enquiries: (613) 991-0537

Toronto

1 Front Street W.
P.O. Box 10, Station A
Toronto ON M5W 1A3

General Enquiries: (416) 973-6413

Windsor

208 Edinborough P.O. Box 1655 Windsor ON N9A 7G7

General Enquiries: (519) 257-6400

Manitoba

Winnipeg

269 Main Street

Winnipeg MB R3C 1B3

General Enquiries: (204) 983-6004

Alberta

Calgary

220 4th Avenue SE, Suite 320

Calgary AB T2G 0L1

General Enquiries: (403) 292-8750

British Columbia

Vancouver

333 Dunsmuir Street, Suite 503

Vancouver BC V6B 5R4

General Enquiries: (604) 666-0545

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Think recycling!



Printed in Canada



Index to Revenue Canada Services



Please note

Information in this publication is up to date as of October 1997.

This document uses plain language to give readers an overview of Revenue Canada services. It is provided for information purposes only and does not replace the law.

La version française de cette publication est intitulée Répertoire des services offerts par Revenu Canada.

Visually impaired persons can get information on services available to them, and can order publications in braille or larg print, or on audio cassette or computer diskette by calling **1-800-267-1267** weekdays from 8:15 a.m. to 5:00 p.m. Eastern Time.

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Communications Branch Revenue Canada Ottawa ON K1A 0L5

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1998

Guide for Canadian Small Businesses

We have developed this new publication to help new and prospective small businesses understand their rights and obligations as they relate to income tax, GST/HST, and customs. The guide covers subjects like:

- the various types of businesses (i.e. sole proprietorship, partnership, corporation);
- why keeping accurate books and records is important;
- how to register for and collect GST/HST;
- how to report payroll deductions; and
- customs import/export procedures.

As well as basic information on these and other topics, the guide lists publications where more specific information is available, and provides contact points in Revenue Canada where small businesses can get help.

Canadian Automated Export Declaration (CAED)

We've introduced the Canadian Automated Export Declaration system so that exporters or their agents can prepare and submit their export declarations electronically. By using CAED, exporters can transmit export information directly from their place of business. They will immediately receive an acknowledgement of receipt of this information.

The CAED software is windows-based and user-friendly. It is available to all exporters free of charge and there is no registration fee. Exporters who are interested in CAED should contact Statistics Canada at the following address for a registration number and instructions.

APR 3 1998

Export Statistics Liaison Unit International Trade Division Statistics Canada 9th floor, Jean Talon Building Tunney's Pasture Ottawa ON K1A 0T6

Telephone: (613) 951-6291

1-800-257-2434

1-888-269-5305

Fax: (613) 951-6823

Web page:

http://www.statcan.ca/english/exports/index.htm

Exporters of goods subject to any government export controls will still have to use a paper-based system to report to customs at the port of exit before they export the goods.

Clients who need more information on export reporting requirements, should contact one of the customs border services office listed in Appendix D.

Simplified *Customs Tariff* and related amendments to the *Customs Act*

A Notice of Ways and Means motion tabled on April 22, 1997, announced plans to repeal the current *Customs Tariff*. In its place, the Government will introduce a new Tariff with a single, consolidated schedule to replace the seven we currently have. The legislation will also be restructured and updated, and current tariff codes, regulations, and several remission orders will be revoked or converted into tariff items.

Machinery Program

In the new *Customs Tariff*, the Machinery Program will be eliminated for all goods imported on or after January 1, 1998. Goods imported before that date may still be eligible for relief if they meet the conditions established for the program. Machinery and equipment that was considered "not available from Canadian production" as of December 31, 1997,

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About Revenue Canada

The Department's mandate

At Revenue Canada, our responsibilities include:

- revenue collection;
- trade administration;
- customs border services; and
- certain social and economic payments.

We work on behalf of the federal, provincial, and territorial governments as well as individuals and businesses to support Canada's social and economic progress.

We oversee various tax credit programs and collect federal and some provincial income taxes, goods and services tax (GST), harmonized sales tax (HST), Canada Pension Plan contributions, Employment Insurance premiums, and customs and excise duties. As well, we collect excise taxes and, for provinces with agreements with the federal government, we collect provincial sales tax, tobacco taxes, liquor markups, and levies on non-commercial imports.

We also administer the border and trade aspects of the North American Free Trade Agreement (NAFTA), and the World Trade Organization (WTO), as well as Canada's international tax agreements with other countries.

Finally, we work in partnership with law enforcement agencies and other federal departments to protect Canadians and society as a whole by preventing illegal and dangerous goods and inadmissible people from entering Canada, and monitoring the movement of controlled and regulated goods.

We continually strive to deliver our programs and services effectively, fairly, and efficiently. Our goals are to:

- provide accessible, responsive, and reliable services at an affordable cost;
- deliver fair, responsible, and effective enforcement programs in a manner that

- directly responds to changes in the environment:
- minimize the administrative cost and compliance burden on clients through the streamlining and simplifying of our legislation, programs, and operations;
- ensure that the people at Revenue Canada have the knowledge, skills, and support needed to work effectively in an environment that promotes and recognizes exemplary performance; and
- provide effective support for our programs and initiatives through responsive, modern, and integrated corporate policies, systems, and processes.

Note

At Revenue Canada, we are responsible for developing and administering customs legislation. Although we administer tax legislation, the Department of Finance is responsible for developing tax policy and for the wording of the legislation.

Fairness provisions

On occasion, extraordinary circumstances beyond clients' control prevent them from complying with legal requirements to pay income tax, goods and services tax, harmonized sales tax, and customs duties and taxes.

Since December 1991, fairness provisions have allowed for the discretionary cancellation, reduction, or waiver of penalties and interest that we have assessed for 1995 and later tax years. These fairness provisions provide us with a proper basis for exercising discretion when applying such charges would be unreasonable or unfair.

The provisions also allow us to issue income tax refunds to individuals and testamentary trusts for 1985 and later tax years, or to apply the refund to amounts owing. Previously, clients had to make claims within three years of the end of the tax year concerned. Clients may also ask us to adjust 1985 or later returns to create a refund, or to reduce an amount owing. As long

as the adjustment is correct, we will normally process these requests.

Clients can also, in specific circumstances, make a late or amended election, or revoke an original election.

The fairness provisions allow us to help clients resolve problems that arise through no fault of their own. They also allow for a common-sense approach in dealing with clients who, because of personal misfortune or circumstances beyond their control, are unable to comply with the legislation we administer.

Examples of circumstances beyond a client's control include:

- natural or human-made disasters, such as flood or fire;
- civil disturbance or disruptions in services, such as a postal strike;
- serious illness or accident; or
- serious emotional or mental distress, such as the death of an immediate family member.

Clients should address requests involving these provisions to their tax services offices.

Addresses and telephone numbers appear in Appendix C, and are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Fiscal responsibility

At Revenue Canada, we advance the Government's broader economic and social agenda, by helping to maintain the integrity of the Government's resource base and ensuring that all Canadians pay their fair share of tax. Our comprehensive compliance strategy includes initiatives to combat the underground economy, improve our audit function, and enhance our anti-smuggling initiatives.

We develop compliance strategies on sectoral, industrial, occupational, and geographic bases, and they include verification, service, and enforcement activities. These strategies help

identify compliance problems, and combine information and education to reduce the cost of compliance, clarify the law, and suggest legislative changes.

Through our integrated collections strategy, we continue to identify opportunities to reengineer the collections function and strengthen our administration of the fairness provisions.

Our commitment to fiscal responsibility balances effective enforcement actions with respect for the rights of the individual. This means informing our clients of their obligations under the law, providing them with information and opportunities to comply voluntarily, encouraging self-assessment, and taking selective enforcement action in a fair, responsible, and professional manner.

Privacy and confidentiality

We at Revenue Canada take steps to ensure that clients' personal and financial information is kept confidential. We cannot give this information to anyone outside the Department unless authorized by either the client or the law.

To ensure that clients' personal information remains confidential and is not released to unauthorized people, we require written authorization before we provide information to tax practitioners and other representatives, including Members of Parliament.

Business clients must provide us with a completed Form RC59, Business Consent Form, to authorize the disclosure of GST/HST- or income tax-related information. Individual clients have to submit a completed Form T1013, Consent Form, before we will release confidential income tax information.

Clients can also use a letter of authorization to designate a representative for income tax, GST/HST, and excise tax. The letter should contain the same information required in the previously mentioned forms.

Rights of the taxpayer

We consider it a priority to ensure that all individuals understand and honour their obligations, and that our clients receive all their entitlements.

Declaration of Taxpayer Rights

The self-assessment system works only if clients have full and timely information about the law, if they are treated fairly and courteously, and if the information they provide about their affairs is held in confidence.

We were the first modern income tax administration in the world to formally proclaim the rights of taxpaying Canadians in a *Declaration of Taxpayer Rights*.

The declaration consolidates certain rights found in the *Charter of Rights and Freedoms*, in statutes, and in common law. It summarizes our commitment to treating clients fairly, courteously, and with respect for their rights. See Appendix B for the complete text of the declaration.

Double taxation issues

Sometimes Canadian residents, whether individuals or corporations, as well as non-residents subject to Canadian tax, find their income taxed by both Canada and the tax authority of another country.

Canada has tax treaties with more than 50 countries. One of the main purposes of these treaties is to avoid double taxation. To resolve double taxation with countries with which Canada has a treaty, clients can request competent-authority consideration from Revenue Canada's International Tax Directorate, 2nd floor, Tower C, 25 McArthur Avenue, Ottawa ON K1A 0L5.

In most cases, the competent authorities of the two countries use this process to reach an agreement to avoid double taxation. Clients should note that this process is separate from any right of appeal they have under the domestic legislation of either Canada or the other country.

If difficulties or doubts arise in interpreting or applying a particular treaty, clients should consult Revenue Canada's Policy and Legislation Branch, 10th floor, 123 Slater Street, Ottawa ON K1A 0L5.

Rights of the traveller and the importer

We want the experience of returning to Canada from abroad to be as pleasant as possible for the travelling public. We also try to move imported goods into Canada as quickly and easily as possible. We serve approximately 106 million travellers and process over 10 million commercial entries a year and, for the most part, duties and taxes on these transactions are dispute-free.

If clients encounter difficulties with the customs process, they should speak to the supervisor on duty who, in many cases, can resolve their concerns immediately.

However, from time to time, travellers or importers disagree with decisions we make. In these cases, the *Customs Act* provides for administrative and judicial reviews of those decisions. If clients have a reason to dispute a decision on the duties and taxes they paid, they can contact the customs office where the goods were accounted for. Consultations with the customs office often resolve the issue quickly and at no cost. If the initial consultation is not satisfactory, customs staff can inform travellers and importers about the formal appeal process.

Voluntary compliance

We have designed programs and services to encourage voluntary compliance—the cornerstone of Canada's self-assessment system. We combine education and service to the public with a comprehensive program of responsible enforcement to maintain public confidence in the integrity of the system.

We encourage voluntary compliance by:

- providing information and help to clients to ensure they understand their rights and obligations, and are able to comply with the law;
- consulting continually with the private sector, individuals, and organizations on ways to streamline procedures to make compliance as simple as possible;
- identifying areas of non-compliance to ensure that everyone, including non-residents, pays a fair share of tax; and
- recommending legislative changes to support the Government's commitment to ensuring the fairness of the tax system for everyone.

Voluntary disclosure

In addition, we encourage taxpayers to voluntarily correct any omissions in their past dealings with us. People who have never filed, or who have stopped filing, income tax returns, or registrants who have never filed, or who stopped filing, GST/HST returns, can file these returns voluntarily. As well, clients who sent

incomplete returns can provide the missing information. Canadians who move goods internationally can come forward and correct any deficiencies in their reports to customs.

Clients making voluntary disclosures will only have to pay what they owe plus interest. We will not prosecute clients, or impose any other civil penalties, as long as the client discloses the information before we begin an audit, investigation, collection, or other enforcement action, including a request to file a return.

When a client cannot pay the balance owing in full, we will try to work out a mutually satisfactory payment arrangement, based on the client's ability to pay.

We encourage clients with financial hardship to contact their Revenue Canada offices to make payment arrangements or discuss changes to existing arrangements.

Chapter 1 – General programs and services

Revenue Canada offices

Clients can get information, pick up publications, make payments, get forms, and conduct other types of business at most Revenue Canada offices across the country. As well, some of these services are available at Government of Canada InfoCentres. Details on the services provided by InfoCentres are on page 19.

For specific information about particular programs, clients should contact the specialized tax centre, customs border services, tax services, or trade administration services offices listed in Appendices C, D, and E. The telephone numbers for these offices are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Business windows

Certain of our offices offer a special one-stop service, called the business window, where businesses can use their integrated Business Number for any transactions with us. See page 27 for details on business windows and the Business Number.

Customs border services and trade administration services offices

Clients can get customs forms, departmental publications, and information on importing and exporting goods from any customs border services or trade administration services office across Canada.

Employees in these offices handle enquiries and offer assistance on tariff classification, customs duty rates, accounting documentation, assessing the value of imported goods, methods of payment, import quotas and permits, customs assessments, refunds, duties relief, and appeals of customs seizures.

Generally, we release goods only during regular business hours, Monday to Friday. However, some offices provide commercial services from 8:00 a.m. to midnight (local time), and clients using electronic data interchange (EDI) can carry out transactions outside regular

business hours. Clients can get more information on hours of service from their local office.

Clients can enquire in writing, by phone, or in person at any customs border services or trade administration services office. Addresses and telephone numbers for these offices are listed in Appendices D and E.

International Tax Services Office

The International Tax Services Office, located in Ottawa, serves the special needs of clients filing income tax or information returns as non-residents. This office also serves individuals who are factual residents, deemed residents, newcomers to Canada, and emigrants. Factual and deemed residents are people who live outside of Canada, but are considered residents for income tax purposes.

Staff members at the International Tax Services Office process non-resident corporate, trust, and individual tax returns, including returns filed by non-resident pensioners. They answer telephone, counter, and written enquiries; process requests for adjustments; and maintain accounts of individuals and institutions that issue payments to non-residents of Canada.

Non-resident clients can reach the International Tax Services Office by calling:

Ottawa area	(613) 9	952-3741
Other parts of Canada		
and the U.S	1-800-2	267-5177
Outside Cartada and the U.S.		
(collect calls accepted)	(613) 9	952-3741

Tax centres

Our seven tax centres located across the country, process, validate, and store individual, corporate, and trust tax returns.

Tax centre staff members offer a complete range of client services similar to those at tax services offices, and provide support for processing large volumes of both electronic and paper information. They also process individual, corporate, and employee remittances and are involved in supporting and delivering federal and provincial social benefit programs.

In partnership with Agriculture and Agri-Food Canada, the Winnipeg site processes the Net Income Stabilization Account applications that farmers file with their income tax returns.

The Summerside Tax Centre in Summerside, P.E.I. processes GST/HST returns and has several toll-free enquiries lines. For general enquiries, including questions about GST/HST refund cheques, remittances, and GST/HST account status, clients can call 1-800-461-3567. Enquiries dealing with errors on previously filed GST/HST returns should be directed to 1-800-265-1115. Status information on specific GST/HST rebate claims is available from 1-800-565-9353.

These toll-free enquiries lines are available anywhere in Canada from 8:00 a.m. until 9:00 p.m. (Atlantic Time). To ensure efficient service, clients should have their GST/HST account numbers or their Business Numbers and any other pertinent information available when they call.

Tax services offices

Tax services offices provide information on the filing and status of income tax and GST/HST returns and refunds, explain assessment notices, answer tax questions, and handle GST/HST credit and Child Tax Benefit enquiries.

At these offices, clients can also get the forms and publications they need to complete their income tax returns, as well as GST/HST forms, publications, and information. They can also pay any form of Revenue Canada remittance for processing to their accounts.

Technical interpretation services centres are located in some of our larger tax services offices. These centres provide rulings and interpretations as well as other technical information on GST/HST, excise taxes, and special levies. Excise duty information, forms, and publications are available at offices with an excise duty unit. Tax services offices with

technical interpretation services centres and excise duty units are identified in Appendix C.

Clients can enquire in writing, in person, or by phone at tax services offices. Appendix C lists the addresses and phone numbers of tax services offices across the country. The numbers are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Except to get information on GST/HST, clients in Quebec can contact a tax services office for assistance. For information on GST/HST, clients should contact an office of the ministère du Revenu du Québec.

Telephone enquiries

Clients receive the telephone numbers of their tax services offices, a separate Problem Resolution Program phone number, and the general and Tax Information Phone Service (T.I.P.S.) enquiries lines with the income tax package we mail them each year. These phone numbers, also listed under "Revenue Canada" in the Government of Canada section of the telephone book, make it easier for clients to contact staff for help.

All correspondence from tax services offices includes telephone and fax numbers. This allows a client to directly contact the person who is dealing with the account to get more information, if necessary.

The tax services offices (listed in Appendix C) handle telephone enquiries and offer counter service to clients, in both official languages, during regular business hours, from 8:15 a.m. to 5:00 p.m. Monday to Friday.

Automated information systems Automated Customs Information Service (ACIS)

The Automated Customs Information Service (ACIS) is a computer-based system that automatically answers incoming telephone enquiries and provides recorded information on a wide variety of customs-related topics.

Callers using ACIS during office hours can transfer their calls to a customs officer if they need more specific information. ACIS is available in both official languages 24 hours a day, and is accessible from both touch-tone and rotary dial telephones.

The system has information on personal imports and travellers' exemptions, commercial imports and exports, Form E14, *Customs Postal Import Form*, personal and commercial postal imports, CANPASS, trade agreements, and customs news and current events.

Clients can access ACIS in the following cities by calling these numbers:

Calgary	(403) 292-8750
Edmonton	(403) 495-3400
Halifax	(902) 426-2911
Hamilton	(905) 308-8715
Moncton	(506) 851-7020
Montréal	(514) 283-9900
Ottawa	(613) 993-0534
Québec	(418) 648-4445
Toronto	(416) 973-8022
Vancouver	(604) 666-0545
Windsor	(519) 257-6400
Winnipeg	(204) 983-6004

Clients can also call toll free from other locations in Canada by dialing **1-800-461-9999**.

Customs, excise, and GST/HST electronic information service

Through a toll-free number (1-800-267-5979), clients can reach our bulletin board and access the following types of information:

- customs D memoranda;
- customs B memoranda;
- tariff updates;
- customs notices;
- GST/HST questions and answers;
- news and announcements on GST/HST, as well as excise duties, excise taxes, and special levies;

- a directory of tax services offices; and
- a listing of prescribed rates of interest.

Clients need only a personal computer with a modem and communications software with the following setup:

■ baud rate 28,800 (maximum)

terminal ANSI BBS

■ local echo off

Electronic Document Distribution System (EDDS)

Clients can get electronic copies of many of our forms and publications from the Electronic Document Distribution System (EDDS)—a bulletin board available through telecommunication lines.

EDDS has all of our income tax guides, forms, information circulars, interpretation bulletins, advance tax rulings, and pamphlets; all news releases; excise duties and taxes forms, notices, circulars, and memoranda; some GST/HST publications and forms; and some customs publications and forms. Documents are often available on EDDS up to six weeks before we distribute printed copies. Clients with access to EDDS can then redistribute our forms and information electronically, or reformat the information for their own publications without having to rekey it. Copies of the draft versions of all income tax forms are available in August, so that software developers and other interested parties can prepare for the upcoming tax-filing season.

Access to EDDS is through The Net, a nation-wide public network operated by Mediatel, a Bell Canada subsidiary. For information on user fees and how to subscribe, clients can call Mediatel at 1-800-267-8480.

Internet access

Since 1994, we have been making publications and forms available on the Internet. Our Internet address is: www.rc.gc.ca

Clients can access general information about the Department, and most of our publications, including interpretation bulletins; pamphlets; excise duties and taxes forms, notices, circulars, and memoranda; and income tax rulings. In addition, the Internet has on-line versions of most forms available to the public, most news releases, and the interactive tables on diskette (TOD) program which the public can download.

Due to security and confidentiality requirements, we do not accept requests or questions through the Internet. For information, clients can contact their tax services offices. The addresses and telephone numbers are listed in Appendix C, and under "Revenue Canada" in the Government of Canada section of the telephone book.

NAFTA electronic information service

This bulletin board can be accessed via modem by calling **1-800-267-5979**. For more details, see page 43.

Tax Information Phone Service (T.I.P.S.)

T.I.P.S. is a computerized, voice-response service. By using this service, clients can get information on selected tax topics, the status of their income tax refunds, their RRSP deduction limits, and whether they are eligible for the GST/HST credit. The number for T.I.P.S. is listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Clients calling T.I.P.S. for personal tax information are asked for their social insurance numbers, months and years of birth, and the total income from line 150 of their income tax returns. If they call before May 1, they will need the amounts they entered on line 150 of last year's tax returns. If they call after April 30, they will need the amounts they entered on line 150 of this year's returns.

The following services are available on the T.I.P.S. menu:

Telerefund

T.I.P.S. (Telerefund) lets clients know if the Department has processed their current-year returns, and when they can expect to receive their refund cheques. When clients phone, they should be ready to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available from February until September.

GST/HST Credit

The T.I.P.S. (GST/HST credit) service tells clients if they are eligible for the GST/HST credit and the date they can expect to receive their cheques. To get information, clients have to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available for about two weeks before and three weeks after we mai each GST/HST credit cheque.

RRSP

The T.I.P.S. (RRSP) service lets clients know their RRSP deduction limits, which represent the amount of contributions they can deduct for the year. If applicable, it also lets clients know the amount of contributions they made in previous years that they have not deducted. To get their RRSP deduction limits, clients will have to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available from mid-September until the end of April.

Bulletin Board

The bulletin board contains recent information that may be of interest to clients.

This service is available 24 hours a day, 7 days a week, year-round.

■ Info-Tax

Info-Tax gives recorded information on a number of tax topics such as tax changes, client services, and new procedures.

Info-Tax is available 24 hours a day, 7 days a week, from mid-January until June.

Clients can get Telerefund, GST/HST credit, and RRSP information:

weekdays	7:00 a.m. to 11:00 p.m.
Saturdays	8:00 a.m. to 4:00 p.m.
Sundays	8:00 a.m. to 1:00 p.m.

Electronic data interchange programs

We have a number of electronic data interchange (EDI) programs that are making our operations more efficient, improving the quality and timeliness of our service to taxpayers, and saving money.

EDI means that businesses need less time to comply with regulations, and both us and our clients use less paper.

Other benefits include:

- timely updating of client accounts;
- faster processing;
- improved productivity; and
- better protection of the Canadian society and economy.

Customs commercial systems

The Department has a number of EDI systems to streamline the customs commercial process:

- Accelerated Commercial Release
 Operations Support System (ACROSS)
 allows importers and brokers to exchange
 cargo and release information with customs
 electronically before the goods arrive at the
 border;
- Customs Automated Data Exchange (CADEX) System, lets importers and brokers electronically send and receive

- customs transactions for accounting and entry;
- Customs Declaration (CUSDEC) Message, is similar to CADEX but with a message that is an approved international standard;
- Release Notification System (RNS)
 electronically notifies importers and
 brokers, warehouse operators, and carriers
 of customs releases within 30 minutes of
 the release decision.

For more information on these EDI systems for customs, see page 40.

Direct deposit program

Direct deposit has replaced cheques as the federal government's standard method of issuing payments. Direct deposit has a number of advantages over the traditional method of payment. It offers clients a safe, convenient, dependable, and time-saving way to receive payments, and saves the Government money through reduced fees and postage.

All individual taxfilers can have their income tax refunds, GST/HST credits, and Child Tax Benefits (including any related provincial benefits), deposited directly to their bank accounts at any financial institution in Canada. Business clients can also have their income tax refunds and GST/HST refunds and rebates deposited directly.

Electronic filing of income tax returns

With the help of an approved EFILE service provider, taxpayers can use EFILE to file their personal tax returns electronically. EFILE saves paper and money and speeds up processing of returns. For more details, see page 20.

Starting in 1998, businesses will be able to file their tax returns electronically using Corporate EFILE. See page 27 for more details.

Electronic tax payments

Financial institutions are now offering services that allow businesses and individuals to make various payments to us electronically. Through some financial institutions, businesses and individuals can pay tax bills by telephone and computer.

These services allow individuals to make payments such as quarterly instalments, or payments towards amounts owing, without writing a cheque or having to mail their payments to us. Businesses can use these services to send in their corporate instalments or payroll deductions. Clients can use most of these services 24 hours a day, 7 days a week, without leaving their residences or places of business.

Facsimile communications

Most of our offices across the country are accessible by fax. The numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book. Since confidentiality cannot be guaranteed, this fax process is only for non-sensitive general business correspondence, not for filing returns.

GST/HST electronic filing and remitting

Filing GST/HST returns and remitting GST/HST payments electronically saves businesses time and money as well as cutting paperwork and administrative costs. For more details, see page 28.

Imaging technology for financial records

We accept imaging technology as a way for businesses to keep books and records for tax purposes. This helps businesses reduce the burden and cost of compliance. Storing financial records on devices such as optical disks (CD-ROM) is less expensive than using paper, and is more environmentally friendly.

Firms that provide imaging services estimate that by using imaging technology, a small retail store could save 10% to 20% in related operational costs. A larger business that uses a full-featured imaging system in its corporate structure could save 30% to 60% in related operational costs.

Companies using imaging must follow the procedures for the technology outlined in the Canadian General Standards Board (CGSB) publication *Microfilm and Electronic Images as Documentary Evidence*.

For technical information about imaging, clients can call their tax services offices and ask for the Audit Informatics resource person, or they can call us in Ottawa at (613) 957-3661. For more information about CGSB publications, they can call, toll free, 1-800-665-2472.

Magnetic-media filing

Businesses as well as service bureaus can use diskettes, tapes, or cartridges to file their year-end tax data such as T3, T4, T4A, T4A-NR, T4RIF, T4RSP, T5, T5007, T5008, and NR4. See page 29 for more details.

Tables on diskette (TOD)

TOD is a computer program that automatically calculates payroll deductions, including income tax, Canada Pension Plan contributions, and Employment Insurance premiums. For more information on TOD, see page 31.

TELEFILE

TELEFILE is an automated service that allows certain clients to file their personal income tax returns using a telephone with touch-tone service. The service, which was tested in New Brunswick, will be available across Canada for 1997 tax returns. For more details, see page 25.

Objections and appeals

Our Appeals Branch deals with disputes arising from assessments or determinations under the *Income Tax Act*, the *Excise Tax Act* (GST/HST), and the *Customs Act*, as well as rulings issued under the *Canada Pension Plan* and the *Employment Insurance Act*.

Income tax and GST/HST

When differences arise between our clients and us, the *Income Tax Act* gives taxfilers the right to object. The *Declaration of Taxpayer Rights* affirms

this right. Also, the *Excise Tax Act* gives registrants and claimants the right to object when differences over GST/HST arise.

To support these rights, we have instituted a straightforward objection and appeal process for clients who want to contest their assessments.

Step 1

Taxfilers or registrants who do not understand their assessments, or who disagree with an assessment or reassessment notice, or a determination or redetermination notice, should first contact their tax services offices. They can do so by telephone, in writing, or in person. A departmental representative will explain the notice.

Since most concerns result from misunderstandings about such things as the explanations we gave concerning an assessment, clients usually receive satisfactory answers from these offices and avoid using the objection process. A large number of cases are resolved in this way.

Step 2

If clients are not satisfied after discussions with their tax services offices, they can file objections. An appeals officer will conduct an impartial review of the case, and contact the client to discuss the issues.

Except for large corporations, from which we collect 50% of the disputed amount immediately, we will usually postpone collection of the income tax in dispute until 90 days after we mail the decision. However, we may begin collection on a GST/HST assessment before we issue a decision on the objection.

Step 3

If clients are still not satisfied, they can appeal to the Tax Court of Canada. The court hears appeals under two distinct procedures: the informal and the general procedures. Each procedure has specific advantages as well as restrictions and rules. Clients can choose the procedure most appropriate for their cases.

Other options

Both the client and us have the right to take the Tax Court's decision to the Federal Court of Appeal. The appeal court's ruling, in turn, can be challenged through the Supreme Court of Canada, with that court's permission.

Customs seizures and forfeitures

When travellers or commercial importers do not report goods, or report goods falsely to customs, the *Customs Act* allows us to seize the goods. In cases where the goods have already been consumed domestically or cannot be found, we can assess an amount of money in lieu of a seizure.

Clients can ask our Adjudications Division to review an action taken in these situations within 30 days of the date of the seizure or the service of notice (assessment in lieu of seizure). If clients do not ask for a review of the seizure or assessment within this time, their claims will be legally disqualified.

During the review, an adjudicator thoroughly reviews the facts of the case and the client's representations before recommending a final decision. The adjudicator evaluates the legality of the seizure, ensures the terms of the assessment are in keeping with departmental policy, and considers all mitigating factors.

The Adjudications Division then decides on the case on behalf of the Minister. The division also informs the client whether we will uphold or overturn the seizure or assessment, and whether we will maintain, eliminate, or reduce the amount of the assessment. Once we issue a decision, we have no further authority to review the case.

If clients do not agree with our decision, they can appeal it to the Federal Court – Trial Division within 90 days of the date of the decision.

Clients must submit all requests for a review in writing to the customs office where the seizure took place, or to the following address:

Adjudications Division Appeals Branch Revenue Canada Ottawa ON K1A 0L5 Tel.: (613) 954-7273

Canada Pension Plan and Employment Insurance

At Revenue Canada, we administer the coverage provisions of the *Employment Insurance Act* and *Canada Pension Plan* (CPP) programs. This involves deciding which employment is insurable or pensionable, and collecting the payments that finance the two programs.

We do not decide who should get Employment Insurance (EI) or CPP benefits. That is the responsibility of Human Resources Development Canada. However, since we establish which employment is covered under the two programs, our decisions can affect an individual's right to benefits.

An employer or any other person affected by a ruling or assessment we made at an earlier stage can ask the Appeals Branch for a final decision. Then a CPP/EI appeals officer conducts an impartial review, which includes contacting all parties involved.

If a person affected by a decision disagrees with it, that person can then appeal the decision to the Tax Court of Canada under the informal procedure. A Tax Court of Canada judgement is usually final and conclusive. However, a person can take a decision to the Federal Court of Appeal for a judicial review, and even to the Supreme Court of Canada with that court's permission.

Other taxes

The Appeals Branch also deals with outstanding issues on the former federal sales tax, transitional rebates, and the former Softwood Lumber Products Export Charge Act, as

well as with disputes on general excise taxes and the air transportation tax.

Clients who want to contest an assessment or determination of these taxes or charges can follow the process outlined for income tax and GST/HST, with one exception. Clients who are still not satisfied after receiving a decision on their objection can appeal the assessment or determination to the Canadian International Trade Tribunal (CITT), whose decision can be challenged in the Federal Court – Trial Division. Clients also have the option of appealing directly to the Federal Court – Trial Division without a prior appeal to the CITT.

Finally, they can appeal judgements of the Trial Division to the Federal Court of Appeal, and from there they can challenge the judgements through the Supreme Court of Canada, with that court's permission.

Additional programs and services

Community visits program

Community visits is an initiative to combat the underground economy. The purpose of these visits is to:

- enhance departmental visibility;
- improve efforts to educate the public;
- gain support from groups harmed by the underground economy;
- demonstrate that we are taking action; and
- encourage voluntary compliance.

The program, which started in the fall of 1994, has already reached more than 23,000 businesses in 140 communities.

Income tax-filing season services Extended hours of telephone service

During the filing season, every tax services office offers extended hours for their bilingual public enquiries telephone services. This annual service makes it easier and more convenient for

clients to get the help they need to complete and file their returns.

Since the dates for the extended hours change each year, people who want to use this service should check the information included in their income tax packages before calling.

Information sessions

During the filing season, tax services offices offer information sessions for specific groups—usually seniors, people with employment income, and people filing only for the GST/HST credit.

Tax clinics

Every year during the filing season, we open tax clinics in various communities. These clinics are in convenient places, such as shopping malls and public buildings that are easily accessible to clients who need information and advice about their tax returns. These clinics have a variety of forms, guides, and pamphlets that clients may need.

We may also set up clinics in Government of Canada InfoCentres, which are often in Human Resource Centres of Canada in some smaller communities.

Our tax services offices inform people in their areas about the tax clinics by:

- advertising in local newspapers;
- displaying posters near the tax clinic; or
- making announcements on radio and on community cable channels.

For clients in Quebec whose provincial income taxes are administered by the Quebec government, we operate most clinics jointly with the ministère du Revenu du Québec.

Tax clinics can be open from as little as one day to two-and-a-half months in the period leading up to the April 30 filing deadline.

Outreach program

Through information sessions, organized by local tax services offices, clients can find out about:

- their rights and obligations under the Canadian tax system;
- benefits available to them;
- how we determine residency for income tax purposes; and
- the new foreign reporting rules.

Publications

We provide a wide range of information to millions of clients through the various forms and guides we publish. We review these forms and guides every year and update them as necessary. (Information on publications available on the Internet is on page 11.)

Income tax publications

An important source of income tax information is the income tax guide that accompanies each tax return. We also publish other guides to meet the needs of specific groups of clients. Appendix A lists some of these publications.

In addition, we offer a wide variety of general and technical publications to help clients understand the tax system. These publications are available free of charge from all tax services offices and tax centres.

However, some technical documents, such as information circulars, interpretation bulletins, and advance tax rulings, have a charge for annual subscriptions. To order any of these technical publications, clients can write to:

Publishing Directorate Revenue Canada 17th floor 25 Nicholas Street Ottawa ON K1A 0L5

Clients can still get copies of individual circulars, bulletins, and rulings free from tax services offices.

We also release an annual publication called *Tax Statistics on Individuals*, which provides analytical summaries of information found on individual tax returns. This data is available on diskette for a fee. On request, and for a fee, the Statistical Services Division also provides special tabulations based on clients' specific needs. For other statistical income tax data, clients can call (613) 957-7387 or fax the Statistical Services Division at (613) 941-6778.

GST/HST publications

Publications on GST/HST range from general pamphlets and guides to detailed technical memoranda and bulletins. We also send a quarterly newsletter (*GST/HST News*) to all GST/HST registrants outside Quebec. (The Ministère du revenu du Québec provides equivalent information for Quebec registrants.) All these publications are free.

We offer a complimentary subscription service to tax professionals who want to receive GST/HST technical memoranda and bulletins regularly. A list of our most popular GST/HST publications can be found in Appendix A. These are available from any of the tax services offices listed in Appendix C.

Customs publications

We produce publications on customs services for both travellers and commercial clients. Clients can find a list of our most common pamphlets and guides in Appendix A. These publications are available free of charge from our customs border services and trade administration services offices listed in Appendices D and E.

In addition to these general guides and pamphlets, we also produces technical memoranda and bulletins, as well as advance rulings under the National Customs Rulings Program (see page 44 for details). Technical memoranda can be ordered through Canada Communication Group (CCG) Inc. for an annual subscription fee. Clients should address their subscription requests to:

Canada Communication Group Inc. Publishing Division Ottawa ON K1A 0S9

Clients can reach CCG Inc. by phone at **(819)** 956-4800 or toll free at **1-800-565-7757**. They can also fax requests to **(819)** 994-1498.

Services for clients who are blind or visually impaired

To ensure that everyone has equal access to information, we provide documents in alternative formats: braille, large print, audio cassette, and computer diskettes that can be used with voice synthesizers.

All printed publications, notices, and correspondence are available in alternative formats in either official language. Clients can also complete and file their income tax returns using braille, large print, or computer diskette. Although we cannot accept correspondence on audio cassette, we can provide information in this format.

Income tax returns, schedules, guides, supplementary guides, pamphlets, and other common documents are readily available in all four alternative formats. We provide all other publications in alternative format on request.

While we do not usually complete tax returns for clients, when asked, we will help individuals with disabilities complete their returns. Whenever possible, we refer clients to the Community Volunteer Income Tax Program. See page 20 for more information on this program.

To order information in alternative formats or to discuss their particular alternative-format needs, clients can call **1-800-267-1267**. This toll-free, bilingual, alternative-format information line operates weekdays between 8:15 a.m. and 5:00 p.m. Eastern Time.

We place clients who order alternative-format documents relating to income tax and GST/HST on our mailing list, and we contact them regularly to determine their needs.

Services for clients who are deaf or hard of hearing and clients who have speech impairments

Clients who use a Teletypewriter (TTY) can call our general enquiries TTY line, toll free, at **1-800-665-0354**. A TTY transmits typewritten messages over a telephone line.

Bilingual TTY service is available year-round, Monday to Friday (except on statutory holidays). In Alberta, British Columbia, the Northwest Territories, and the Yukon Territory, clients can call between 8:15 a.m. and 5:00 p.m. Central Time. In Newfoundland, clients can call between 8:15 a.m. and 5:00 p.m. Atlantic Time. In all other locations, clients can call between 8:15 a.m. and 5:00 p.m. local time. This service is also available in the evening, Monday to Thursday, from mid-February to the end of April.

A client who is deaf or hard of hearing can also use an operator-assisted relay service to contact us through our regular enquiry lines. The operator acts as a link by typing as the enquiries agent speaks, so that the words appear on the caller's TTY.

When notified in advance, we can have a sign language interpreter at an interview or meeting.

Help may also be available through our Community Volunteer Income Tax Program. See page 20 for more information on this program.

Small business information seminars

We offer free small business seminars to inform new or prospective businesses about "need-to-know" information on their rights and obligations under the customs, excise, GST/HST, and income tax legislation, and about the services and help available to them. For more information on these seminars, see page 31.

Government of Canada offices Canada Business Service Centres

Revenue Canada is an active partner in the Canada Business Service Centre initiative, designed to help business clients through a single point of contact. These centres offer businesses access to information about the programs and services of various federal departments, including Revenue Canada and Industry Canada, and economic development agencies such as the Atlantic Canada Opportunities Agency, Western Economic Diversification Canada, and the Federal Office of Regional Development in Quebec. Other partners include provincial and non-government agencies.

Ten Canada Business Service Centres operate across the country. They are in Charlottetown, Edmonton, Fredericton, Halifax, Montréal, Saskatoon, St. John's, Toronto, Vancouver, and Winnipeg.

Government of Canada InfoCentres

Revenue Canada is working with other federal government departments and agencies to improve service to Canadians in smaller communities, by offering a variety of Government information and services in a single location. These sites are called Government of Canada InfoCentres, and are usually located in Human Resource Centres of Canada.

Chapter 2 – Tax programs and services

Individuals

Child Tax Benefit Program

The Child Tax Benefit Program makes tax-free monthly payments to eligible individuals to help with the cost of raising children under the age of 18. Child Tax Benefit payments are targeted according to income and are gradually phased out at higher income levels. Payments go to families with low and moderate incomes, with an additional supplement for low-income working parents.

At Revenue Canada, we calculate the Child Tax Benefit using information from income tax returns filed by the parent who is the child's primary caregiver, and the spouse, if any. Each July, we recalculate benefits to reflect the changes in family income reported on the most recent income tax returns.

Parents have to apply to us after the birth or adoption of a child to receive benefits. Parents also have to file income tax returns each year to continue receiving their benefits. They should complete the marital status area of their returns to ensure they receive the proper benefit amount.

Parents receiving the Child Tax Benefit must also let us know if:

- their marital status changes;
- they are no longer the primary caregiver for the child;
- they no longer live with the child;
- the child dies; or
- they or their spouse are no longer Canadian residents.

Individuals who have questions about the program or their own entitlement to benefits can call, toll free, 1-800-387-1193.

Children's Special Allowances Program

The Children's Special Allowances Program makes payments to approximately 250 federal and provincial agencies and institutions (e.g., children's aid societies and individual foster parents) that care for about 40,000 children. These payments replace ones that we would otherwise make to parents under the Child Tax Benefit Program.

Community Volunteer Income Tax Program

During income tax-filing season, about 15,000 volunteers help more than 268,000 taxfilers prepare their income tax returns.

Through our tax services offices across the country, we provide training sessions on how to complete basic income tax returns for representatives of community organizations and other interested people.

Revenue Canada also runs a joint volunteer program with the ministère du Revenu du Québec, to make it easier for Quebec taxfilers to complete both their federal and provincial tax returns.

People who want to become volunteers, or who need help from volunteers, should contact their tax services offices. Addresses and telephone numbers for these offices appear in Appendix C.

Electronic filing (EFILE)

EFILE makes it possible for individuals to electronically file their personal income tax returns.

The advantages of using EFILE include:

- improved accuracy of tax data;
- reduced postage and handling costs;
- reduced paper use;
- fast processing of returns;

- an electronic acknowledgement that we received your return; and
- ease of payment (file early and pay by April 30).

Taxpayers have to use the services of accountants, tax preparers, employers, or others who offer EFILE, to send their income tax return data to us electronically. These individuals have been approved by us as EFILE service providers, and they use encryption devices to ensure that tax information remains confidential.

Most EFILE service providers charge a small fee for EFILE services. In many cases, tax professionals and accountants include the cost of filing electronically in the cost of preparing a tax return.

Taxpayers who prepare their own tax returns on diskette have to show the EFILE service provider all their supporting documents before the service provider can transmit their returns. Clients of the International Tax Services Office, such as non-residents, cannot use the EFILE system.

For more information, clients can look for an approved EFILE service provider displaying the EFILE logo or they can contact their tax services offices. The addresses and telephone numbers for tax services offices appear in Appendix C. They are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Clients can also get information about EFILE on our web page at: www.rc.gc.ca/EFILE

For information on Corporate EFILE for business returns, see page 27.

Employee and partner GST/HST rebate

Certain employees and partners can claim rebates for GST/HST paid on expenses they deduct from employment income for income tax purposes. Clients can find more information on this rebate in the publication *Guide and Form for Employee and Partner GST/HST Rebate*,

available at any tax services office. These offices are listed in Appendix C.

Federal Excise Gasoline Tax Refund Program

Through the Federal Excise Gasoline Tax Refund Program, qualified claimants can get a refund of part of the federal excise tax on gasoline at a rate of \$0.015 a litre or \$0.0015 a kilometre. These claimants are:

- people certified by a qualified medical practitioner as suffering from an impairment of mobility to such a degree that using public transportation would be hazardous; and
- registered Canadian amateur athletic associations and registered charities as defined in the *Income Tax Act*.

For more information on this program, clients can contact their tax services offices, or call the Gasoline Tax Refund Unit collect, at (613) 941-4590.

GST/HST credit

The GST/HST credit helps families with low and modest incomes offset all or part of GST/HST. The Government pays the GST/HST credit four times a year: in July, October, January, and April. We calculate the credit using information from income tax returns filed by applicants and their spouses, if applicable.

To apply for, or to continue to receive the credit, individuals have to file income tax returns each year. They have to complete the area for the GST/HST credit application and the area that shows marital status. Details on the GST/HST credit are available in income tax packages, or from the tax services offices listed in Appendix C.

GST/HST general rebate for individuals

Individuals may qualify for a rebate when:

- a person pays GST/HST in error on a transaction;
- a non-registrant sells taxable real property;
- a non-resident exports goods commercially;
- a person leases land for residential purposes;
- an unregistered, non-resident sells goods on an installed basis to a registrant;
- a resident of a participating province pays HST on imported goods that will be consumed or used in a non-participating province;
- a person pays HST on intangible personal property or services that are for consumption, use, or supply in a non-participating province;
- a resident of a participating province manages an investment plan or fund for residents of a non-participating province; or
- a person pays HST on a printed book.

Clients can find more information in the *GST/HST General Rebate Application*, available from any tax services office. These offices are listed in Appendix C.

Certain foreign representatives and officials may also be eligible for a rebate. They can get more information by asking their tax services offices for a copy of *Application for Rebate of Goods and Services Tax (GST)*/ Harmonized Sales Tax (HST) for Foreign Representatives, Diplomatic Missions, Consular Posts, International Organizations, or Visiting Forces Units.

Visitors to Canada can also apply for a refund of GST/HST they pay on certain goods and services. See page 25 for details.

GST/HST new housing rebate

GST/HST new housing rebates may be available to qualifying purchasers of new homes, purchasers of shares in co-operative housing, and to owners who construct or substantially renovate their own homes, or hire another person to do so.

In provinces where HST applies, qualified builders of new, unoccupied homes built or partially constructed on April 1, 1997, may be eligible for a provincial retail sales tax transitional housing rebate.

Clients can get more information on the rebate in the publication *GST/HST New Housing Rebate*. The new provincial publication entitled *Provincial Sales Tax (PST) Transitional New Housing Rebate* may be helpful to builders living in provinces that charge HST. Copies of these publications are available through our tax services offices.

Home Buyers' Plan repayments

Generally, clients have to repay amounts withdrawn under the Home Buyers' Plan over a period of no more than 15 years. To make a repayment under the plan, participants must contribute to their RRSPs and designate, on their income tax returns for the year, the portion of the contribution that is to be considered a repayment. They have to start designating repayments on the income tax return filed for the second year after the year they withdrew an amount.

Participants who file income tax returns make this designation on Schedule 7, RRSP Contributions, Transfers, and Designations of Repayments Under the Home Buyers' Plan, and file Schedule 7 with their returns. Participants who do not have to file tax returns use Form T1037, Designating Contributions You Made to Your RRSPs as Your Repayment Under the Home Buyers' Plan for 19xx.

Instalment payments for income tax

Instalments are payments of income tax made directly to us at Revenue Canada. People who receive income that has little or no tax withheld at source may have to pay a large amount of tax when they file their returns. If their net tax owing for the current year and either of the two preceding years is more than \$2,000 (\$1,200 in Quebec), they may have to pay their income tax by instalments. We issue reminders to people who may be required to make instalment payments.

We offer three options for calculating the payment amounts:

No calculation

Taxfilers pay the amount shown on the instalment reminder that we send them by the due date indicated on the reminder.

Prior year

Taxfilers pay one-quarter of the prior year's net tax owing and any Canada Pension Plan (CPP) contribution payable on March 15, June 15, September 15, and December 15.

Current year

Taxfilers pay one-quarter of the current year's estimated net tax owing and any CPP contribution payable on March 15, June 15, September 15, and December 15.

Clients who choose the no-calculation option do not have to calculate the amount of their quarterly income tax payments. People who pay the amount that appears on each reminder on time will not be charged any instalment interest or penalties, even if the payments are less than the total amount of tax they owe for the year.

Preretirement seminars

Through our tax services offices, we at Revenue Canada can arrange special seminars that explain how the tax system affects retirement. These seminars are geared to people preparing for retirement. Interested individuals should contact their tax services offices to find out

what is available. A list of addresses and telephone numbers for these offices appears in Appendix C.

Problem Resolution Program

We can resolve most clients' questions and concerns quickly through our general enquiries service. However, we also have a Problem Resolution Program to handle special cases that arise when clients have concerns that need special attention.

The Problem Resolution Program handles—on a priority basis—cases that cannot be resolved through usual channels. The program co-ordinators look at any concerns brought to their attention and trace the problem to its source.

We maintain important links with offices of Members of Parliament and with tax practitioners to help resolve matters individual taxfilers raise. If, after giving regular resolution systems a chance to work, clients feel their problems have not been resolved, they can contact the problem resolution co-ordinator at their tax services offices. The phone numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Registered retirement savings plans (RRSPs)

We inform individual taxpayers of their RRSP deduction limits on the assessment notices they receive after they file their income tax returns. We also inform them of the amount of any RRSP contributions they have not previously deducted.

For any given year, clients can deduct RRSP contributions up to their limit. The contributions that they can deduct include amounts contributed during the year or within 60 days after the end of the year, as well as any amounts they contributed after 1990, as long as these amounts were not deducted in a previous year. Clients can deduct contributions they made to their own RRSPs or to spousal RRSPs.

Clients who want to check their RRSP deduction limits, or the amount of their undeducted contributions can call the automated T.I.P.S. (RRSP) service (see page 12) or their tax services offices.

In 1996, the maximum age for people to contribute to their own RRSPs changed from 71 to 69. In other words, people must begin to draw retirement incomes from their RRSPs after the year in which they turn 69, instead of putting money into them. There was a transitional period for this change which finished in 1997. This means that anyone who turned 69, 70, or 71 in 1997, cannot contribute to their RRSPs after 1997, and must begin to draw an income from them in 1998.

Residency determination

Sometimes people entering or leaving Canada need information about their Canadian residency for income tax purposes. To help them, the International Tax Services Office and all tax services offices have access to an expert computer system called the Residency Determination Advisor. This system allows departmental staff to determine and process enquiries about an individual's residency quickly and accurately.

Non-resident withholding taxes

Non-residents who earn income in Canada have withholding taxes deducted at source. For non-residents performing services in Canada, the rate is 15%. Non-residents receiving other types of income from Canadian sources (e.g., interest or dividend income) are taxed at 25%. Clients who need more information on non-resident withholding taxes can get help from their tax services offices or from our International Tax Services Office. Addresses and phone numbers for these offices are listed in Appendix C. (For information on other services provided by the International Tax Services Office, see page 9.)

Resident withholding taxes

Canadian residents who have foreign income such as interest, dividends, or pensions, can ask

for certification of their Canadian residency. They need this certification to apply for a refund of excess income tax other countries withhold when the rate of withholding tax is reduced under a convention (or agreement) between Canada and the foreign country.

Simplified income tax packages

In addition to the General and Special income tax packages, we at Revenue Canada produce simplified income tax packages that take into account an individual's tax situation based on his or her filing history. These simplified tax packages include a worksheet for individuals who want to calculate the amount of their refund or balance owing.

We mail these packages to taxfilers such as:

- individuals who complete a tax return solely to establish their eligibility for the Child Tax Benefit, the GST/HST credit, and various provincial entitlements;
- seniors; and
- wage earners and others with straightforward tax situations.

These simplified tax packages have allowed us to significantly reduce the amount of paper we use.

Clients can still get a complete tax package at tax services offices, Government of Canada InfoCentres, and at postal outlets across the country. In addition, clients can choose to take the booklet containing only tax forms. This booklet allows clients to get the forms they need without having to take an income tax guide at the same time.

Teaching Taxes Program

Every year we supply Teaching Taxes kits free of charge to about 2,000 teachers and 75,000 students. High schools and colleges across the country use the program in economics, accounting, business, mathematics, consumer education, social studies, and even language courses.

Any teacher can order the *Teacher's Manual* and the *Student's Workbook* from a tax services office (see Appendix C for addresses and telephone numbers).

TELEFILE

Beginning with 1997 income tax returns, TELEFILE will be available across Canada. Seniors who receive personalized T1S-A returns, wage earners who receive T1S-B and T1 Special returns, credit filers who receive T1S-C returns and clients who receive the new package for computer software users, may be able to TELEFILE. These clients will find a TELEFILE information sheet and step-by-step instructions in their tax packages.

Using TELEFILE is easy. Once clients complete their tax returns, they call the toll-free number. An automated telephone interview prompts them to provide their income tax information by pressing the numbers on the keypad of their touch-tone telephones. When they are finished, clients are asked to confirm that they want to file the information as their income tax returns. We immediately give them confirmation numbers and begin to process their returns. They will receive their assessment notices in about two weeks.

TELEFILE allows clients who do not want to use a third party, to file their income tax returns electronically from home. The service is free, available seven days a week, and takes only a few minutes.

Visitor Rebate Program

Under the Visitor Rebate Program, non-resident visitors to Canada can claim a refund for some of the tax they pay on short-term accommodation (less than one month), and on eligible goods that they take home within 60 days of purchase. Non-resident businesses can claim a refund for some of the tax they pay on short-term accommodation for their employees travelling on business in Canada.

Non-residents can use a single application form to claim refunds for GST/HST, Manitoba provincial sales tax (PST), and Quebec sales tax (TVQ). Claimants receive a single cheque mailed to their permanent address outside Canada.

To be eligible for this rebate, non-resident visitors must have original receipts totalling at least CAN\$200 (before taxes), and each individual receipt must show a minimum purchase of CAN\$50 (before taxes). Visitors must also meet these same conditions to qualify for a refund of the Manitoba PST and the TVQ in Quebec.

For rebates of up to CAN\$500, non-resident visitors can present their original receipts at Canadian duty-free shops at the Canada/United States border participating in the Visitor Rebate Program. More information on duty-free shops appears on page 37.

Non-resident visitors have to submit an application within one year of the day they export the goods. Claimants should mail their applications, with original receipts, and proof of export documents for high-value items to:

Visitor Rebate Program Revenue Canada Summerside Tax Centre Summerside PE C1N 6C6 CANADA

Non-resident visitors who have questions about the rebate can contact us at 1-800-66VISIT (1-800-668-4748) from within Canada, or (902) 432-5608 if they are calling from outside Canada.

Businesses

We are committed to ensuring that businesses receive the support they need to meet their fiscal obligations. Our specialists in tax avoidance, international transactions, electronic data processing, and industry-specific sectors help us provide quality service to the business community.

We develop compliance strategies in conjunction with industry, provincial governments, and professional associations, as well as advisory groups like the Large Business Advisory Committee, the Small Business Advisory Committee, and the Scientific Research and Experimental Development Advisory Committee. These strategies, developed on a sector or issue basis, combine information, education, clarification of the law, proposals for legislative change, and responsible enforcement to ensure everyone complies with the law.

By ensuring that all Canadians pay their fair share of tax, we help the Government stay fiscally sound.

Advance Pricing Agreement (APA) service

The Advance Pricing Agreement (APA) service helps Canadian taxpayers establish, for income tax purposes, acceptable transfer pricing for future cross-border transactions between related businesses. (An example of related businesses is parent companies and their subsidiaries.) These transactions are between related businesses that operate in Canada and in another country.

The APA service also helps Canadian taxpayers eliminate potential double taxation from transfer pricing with related foreign operations in countries with which Canada has an income tax treaty. Canada has developed procedures for establishing bilateral agreements with our major trading partners. We at Revenue Canada manage these agreements with the other countries' tax administrations.

This service gives business clients more certainty about the income tax implications of transfer pricing in cross-border transactions. The APA service carries a user charge. For more information about this service, clients can contact our International Tax Directorate, 2nd floor, Tower C, 25 McArthur Avenue, Ottawa ON K1A 0L5.

For information about possible implications of customs valuation, see "Trade administration – Valuation" on pages 46 to 48.

Advance income tax and GST/HST rulings

We at Revenue Canada offer a binding advance rulings service for proposed transactions. We interpret the provisions of the *Income Tax Act*, the *Excise Tax Act*, and related statutes, and establish our interpretation. Advance rulings state how we will interpret specific provisions of tax law for transactions a client is contemplating in the near future. This service has a cost-recovery fee for income tax.

Clients can mail written requests for advance income tax rulings or technical interpretations on complex issues to:

Income Tax Rulings and Interpretations Directorate Revenue Canada 25 Nicholas Street Ottawa ON K1A 0L5

They can also fax requests to (613) 957-2088.

For GST/HST interpretations or to ask for GST/HST binding application rulings, clients should speak to a technical interpretation services officer in their local tax services office. The numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

For advance GST/HST rulings, clients can mail written requests to their nearest technical interpretation services centre. Addresses for these centres are available in Appendix C.

For highly complex advance rulings, clients can mail written requests to:

GST/HST Rulings and Interpretations Directorate Revenue Canada Tower C 25 McArthur Avenue Ottawa ON K1A 0L5

They can also fax requests to (613) 990-3602.

For information on advance customs rulings, see the section called "National Customs Ruling Program" on page 44.

Business Number

The Business Number (BN) is a business identifier that assigns each business a single number that remains the same no matter how many accounts a business has. The BN includes the major accounts most businesses have: corporate income tax, GST/HST, import/export, and payroll deductions. All new businesses registering for any one of these accounts receive a BN. Since 1997, charities, Canadian amateur athletic organizations, and national arts service organizations registered with Revenue Canada also use the BN.

Businesses can call **1-800-959-5525** (English service) or **1-800-959-7775** (French service) to register a new business. We automatically route the call to the appropriate business window.

Business windows

Business windows, located in most of our offices, are the initial point of contact for business clients. At this special one-stop service, businesses can register for an integrated Business Number (BN), and can use their BNs to:

- update all their accounts (e.g., change their addresses) in one stop; and
- get information (e.g., account balances, status of refunds) from one contact.

Appendix C lists offices with this service.

Co-ordinated audits and revenue collection

At Revenue Canada, our new approach to large corporate audits offers a tailored agreement, or protocol, to streamline the audit of a company's business activities. These protocols establish multi-year plans and improve communication and co-operation. The audit plan describes the issues we will audit, and the mechanism for resolving outstanding matters. Another feature

of the new approach is real-time audits, where we audit issues before businesses file their relevant tax returns. Teams of specialists from various areas conduct the audits. Also, at the client's request, we can audit all the taxes we administer simultaneously.

To help smaller businesses, we have developed a co-ordinated approach to audit. For many small businesses, it is more efficient to have us conduct GST/HST and income tax audits simultaneously. This saves the business time and money, and is also more effective for us. Even when auditors select one tax for auditing, they also review the total federal tax profile of the business.

We also have a co-ordinated collection program for all departmental accounts. This allows the client or practitioner to deal with just one official, providing more efficient service that is responsive to individual business circumstances.

Corporate EFILE

We're working with the provinces to develop a common electronic filing process for businesses that file corporate income tax returns. We hope to launch Corporate EFILE in 1998. You can find out more about Corporate EFILE on our web page at: http://www.rc.gc.ca/t2return

For information on electronic filing of personal income tax returns, see page 20.

GST/HST annual filing

Small businesses with annual revenues of \$500,000 or less can file their GST/HST returns annually, instead of quarterly. These businesses continue to pay the tax they owe in four instalments, based on the lesser of the net tax they paid in the previous year, or on an estimate of the current year's net tax. However, if instalment payments based on an estimate of the current year's net tax are less than the actual tax owing, penalties and interest may be payable.

If the net tax remittable in the previous year (or estimated amount for the current year) is less than \$1,500, businesses only have to send in the

net tax once, usually when they file their annual returns. Individuals with business income who are annual filers and have a December 31 year end have until June 15 to file their GST/HST returns. However, they must send in any net tax owing by April 30.

Branch returns

Businesses and public-service bodies can apply to have their branches or divisions file separate GST/HST returns or rebate applications if the branches or divisions meet certain conditions (i.e., separate accounting records, and either separate locations or activities). Clients can get details in the information guides for GST/HST registrants and public-service bodies, or from their tax services offices.

GST/HST electronic filing and remitting

The GST/HST Electronic Filing and Remitting Program allows registrants to file their returns and remit their payments electronically using electronic data interchange (EDI) technology.

Registrants can file directly with us using EDI technology they develop themselves, or software they buy. Registrants who use EDI technology they develop themselves must make sure that their software is compatible with ours. Registrants can also file electronically through a financial institution or other organization offering EDI services.

Information about the GST/HST Electronic Filing and Remitting Program is available at any tax services office, or by contacting our EDI Operations toll free at **1-800-279-5394**.

GST/HST general rebate for business

A rebate may be available to a business:

- in certain real property transactions;
- when it pays amounts in error;
- as a non-resident, when it acquires short-term accommodation in Canada for non-resident employees travelling on business;

- as an unregistered, non-resident when it sells goods on an installed basis to a registrant;
- when it pays HST on intangible personal property or services that are for consumption, use, or supply in a non-participating province;
- when it pays HST on intangibles and services which are to be used or consumed in managing an investment plan or fund for residents of a non-participating province; or
- when it pays HST on a printed book.

A GST/HST rebate may also be available to:

- Indian bands, tribal councils, and band-empowered entities; and
- legal-aid plans.

More information appears in the *GST/HST General Rebate Application*, available from any tax services office. These offices are listed in Appendix C.

Certain foreign representatives and officials may also be eligible for a rebate. They can contact their tax services offices and ask for a copy of the Application for Rebate of Goods and Services Tax (GST)/Harmonized Sales Tax (HST) for Foreign Representatives, Diplomatic Missions, Consular Posts, International Organizations, or Visiting Forces Units.

GST/HST in the province of Quebec

The province of Quebec administers GST/HST on behalf of the federal government. The single administration of GST/HST and all provincial taxes and revenues by the ministère du Revenu du Québec (MRQ) allows individuals and businesses in Quebec to register, file returns and rebate applications, and get information on both GST/HST and the Quebec sales tax from MRQ district offices.

At Revenue Canada, we continue to provide services and administer other excise taxes and

duties in the province of Quebec through our Montréal tax services office.

GST/HST Quick Method of accounting

Small businesses can use a simplified accounting option known as the Quick Method to calculate GST/HST they owe. Because businesses using this method do not track GST/HST they pay, they cannot generally claim input tax credits.

Businesses with worldwide annual taxable sales (including zero-rated sales) of \$200,000 or less, including GST/HST and annual taxable sales of all associated businesses, can use this method, with some exceptions. Exceptions include accountants, tax consultants, lawyers, financial consultants, and charities.

Businesses that use this method calculate their net tax by applying the appropriate Quick Method remittance rate to their taxable sales. These rates take into account GST/HST payable on most business purchases. Businesses affected by the HST must separate sales taxed at the 15% HST rate from those taxed at the 7% GST rate. Details on this method are in the booklet *Quick Method of Accounting for GST/HST*, available from any tax services office.

Details on the Special Quick Method available to various public-service bodies and the simplified tax calculation for charities can be found on page 32.

GST/HST simplified method for claiming input tax credits or rebates

Small businesses and public-service bodies that qualify for the simplified method for calculating input tax credits do not have to keep track of GST/HST they pay on each invoice. However, businesses must separate their purchases that are taxable at the 7% GST rate from those taxable at the 15% HST rate. To qualify for this method, in the last fiscal year small businesses and public-service bodies must have had:

- worldwide taxable sales of \$500,000 or less, including sales by associated businesses, but excluding sales of capital real property and financial services; and
- taxable purchases, either in Canada or imported to Canada, of \$2 million or less, including purchases by associated businesses.

For public-service bodies, it must be reasonable to expect that their taxable purchases will not exceed \$2 million in their current fiscal year.

Public-service bodies meeting these conditions can also use the simplified method for claiming rebates. However, listed financial institutions cannot use the simplified methods for claiming input tax credits or rebates.

Clients can get more information on these simplified methods, as well as general information on GST/HST in the guide *General Information for GST/HST Registrants*, available at their tax services offices.

Income tax returns for smaller corporations

At Revenue Canada, we offer a T2 Short corporate income tax return for corporations with gross revenues of \$500,000 or less, and with no taxable income. The return, which is two pages instead of the usual six, reduces the time it takes small corporations to complete their returns.

Magnetic-media filing

Magnetic-media filing is a computerized way for businesses and service bureaus to file their T3, T4, T4A, T4A-NR, T4RIF, T4RSP, T5, T5007, T5008, and NR4-related information returns. Instead of sending paper copies of this information, clients can send diskettes, tapes, or cartridges. A single diskette, tape, or cartridge streamlines the process and allows error-free data capture and faster data processing. Magnetic-media filing saves clients time, paper, and money on their year-end filing.

Since there are certain specifications for filing on magnetic media, we provide instruction guides and a testing facility. Our staff members will be pleased to answer any questions.

For more details on the magnetic-media filing program call toll free 1-800-665-5164 or visit our web page at: www.rc.gc.ca/magmedia

New Employer Visit Program

Departmental officials are available, on request, to visit new employers on their own premises. This service provides new employers with a chance to discuss concerns they may have about recording, withholding, or reporting requirements for employee earnings, tax, Canada Pension Plan, or Employment Insurance contributions.

Our staff can also provide advice on GST/HST filing requirements, inform new employers about challenges they may encounter, and advise them on where to get information and assistance from us when they need it.

New employers wishing to take advantage of this program should contact the Revenue Collections Division of their tax services offices. Addresses and telephone numbers are listed in Appendix C, as well as under "Revenue Canada" in the Government of Canada section of the telephone book.

Registered plans information

Our Registered Plans Division is responsible for activities under the *Income Tax Act* that relate to the registration of plans dealing with:

- employee pensions;
- retirement savings;
- retirement income;
- deferred profit-sharing;
- supplementary unemployment benefits;
- education savings; and
- registered investments.

Besides providing various publications, the division audits and monitors plans to make sure they comply with regulations and accepted actuarial principles.

Our telephone enquiries service helps employers, plan sponsors, administrators, consultants, issuers, and carriers to interpret legislation and regulations, and to calculate pension adjustments, and past service pension adjustments. This telephone service is available weekdays between 8:00 a.m. and 5:00 p.m. Eastern Time. Call (613) 954-0419 or 1-800-267-3100 for service in English. French service is available at (613) 954-0930 or 1-800-267-5565.

Registered Pension Plan Annual Information Return

Administrators of registered pension plans have to file an annual information return with both Revenue Canada and a provincial pension plan regulator.

In provinces where the provincial regulator collects information for us at Revenue Canada, plan administrators only file one joint return with the province, by the provincial deadline. Both Revenue Canada and the provinces use the plan year, rather than the calendar year, as a basis for the return, so plan administrators do not have to convert their records from one year end to the other.

In provinces that do not have an agreement with us, plan administrators have to file Form T244, Registered Pension Plan Annual Information Return, with us no later than 180 days after the plan's year end.

For information on filing a joint return, or to get a copy of the return, clients can contact the Registered Plans Division between 8:00 a.m. and 5:00 p.m. Eastern Time. Call (613) 954-0419 or 1-800-267-3100 for service in English. French service is available at (613) 954-0930 or 1-800-267-5565. Clients can also get copies of Form T244 at any of the tax services offices listed in Appendix C.

Scientific research and experimental development (SR&ED) investment tax credit

At Revenue Canada, we have an SR&ED claimant service to help individuals and businesses who have never filed a claim for the SR&ED investment tax credit. The service makes prospective claimants aware of the incentives to file, including the 18-month filing deadline.

We address the special needs of first-time SR&ED claimants through information sessions. At these sessions, staff members explain what SR&ED means under the *Income Tax Act* and Regulations, describe eligible work, explain which expenses qualify for the credit, and describe the documents needed to make a claim. Clients can get information about these sessions by calling the general enquiries number at any tax services office and asking for the SR&ED co-ordinator. We also have a form and guide to help clients making claims for the SR&ED credit.

We currently have a target of 120 days for issuing refunds to small corporations, and for informing large companies whether we accept their claims as filed, or if we will audit them. If we will be auditing, we notify claimants about when the audit will start.

To improve our level of service we are further streamlining paperwork by:

- providing shorter forms for small businesses;
- reviewing projects before they begin, or while they are underway;
- increasing the number of science officers;
- increasing awareness of the SR&ED program through an outreach campaign; and
- establishing national technology sector specialists to enhance consistency and establish stronger relationships with industry associations.

We also have a 60-day fast track for SR&ED claims when we have no concerns about a company during the initial review of its claim.

Copies of the SR&ED guidelines and claim forms are available from any tax services office. Clients can also find them on the SR&ED web page at: www.rc.gc.ca/sred

Small business information seminars

We offer free small business seminars to inform new or prospective businesses about "need-to-know" information on their rights and obligations under the customs, excise, GST/HST, and income tax legislation, and about the services and help available to them.

These seminars are divided into four modules: Government services, the basics of customs, GST/HST, and income tax. Topics include the many services available throughout the federal government, information about government legislation, the types of income to report and expenses we allow, maintaining records, calculating the GST/HST input tax credits, processes for importing and exporting, and filing requirements.

We work with the provinces to offer these seminars throughout the year on a modular basis, days or evenings. The total time needed to present all four modules is about 7.5 hours.

Clients interested in attending either an individual module or the entire seminar, can contact their nearest customs border services office (see Appendix D) or tax services office (see Appendix C).

Tables on diskette (TOD)

Tables on diskette (TOD) is an easy-to-use computer program that helps employers determine payroll deductions. It saves time by calculating all deductions simultaneously for any pay period, province, or territory. A single diskette contains the text and tables of 26 different publications.

TOD can be used in place of the paper tables and is available free of charge. By eliminating

the need for paper and by providing a reusable diskette, TOD is environmentally friendly. TOD also calculates deductions from commission and bonus payments and determines tax deductions when the employee is exempt from Canada Pension Plan or Employment Insurance. With TOD, clients can print TD1 or TD1X forms on site, as well as any page of the tables. Future enhancements will make it possible to print other forms or perform other payroll functions.

TOD is available at tax services offices, on the Internet (see page 11) or from the Electronic Document Distribution System (see page 11). The program comes in both Windows and DOS formats. We will automatically mail diskettes to clients identified as TOD users. Clients who do not want to use TOD can still get the payroll deductions tables on paper.

Public-service bodies

Public-service bodies include charities, non-profit organizations, municipalities, school and hospital authorities, and public colleges and universities.

GST/HST rebates

Many goods and services provided by public-service bodies are exempt from GST/HST. Most of them can partially recover GST they pay on some purchases by claiming a rebate at a set rate. Special rules apply when these organizations claim an HST rebate. Clients can get more information on GST/HST rebates in the guide *GST/HST Public Service Bodies' Rebate*, or from the business enquiries section of their tax services offices.

GST/HST simplified accounting methods

Public-service bodies may be eligible to use one of these simplified accounting methods.

Special Quick Method

Qualifying non-profit organizations and other public-service bodies who are registered for GST/HST and eligible to claim rebates can use the Special Quick Method. Organizations using this method may have to use a different percentage rate when they send in their taxes owing. Clients can get more information on this accounting method from any tax services office.

Simplified tax calculation for charities

Most charities registered for GST/HST must use this new simplified calculation to determine their net tax, instead of the Special Quick Method. Charities that meet certain conditions, can choose **not** to use this simplified calculation. Clients can get details on this new method from the business enquiries section of any tax services office. Addresses and telephone numbers appear in Appendix C.

GST/HST simplified method for claiming input tax credits or rebates

Details on this method appear on page 29.

GST/HST – Small-supplier divisions

Public-service bodies can apply to have us treat a branch or division as a small-supplier division if the branch or division has separate accounting systems, either a separate location or activities, and its annual taxable supplies are \$50,000 or less. Small-supplier divisions do not need to charge GST/HST, but cannot claim input tax credits. Clients can get more information on small-supplier divisions from the information guide for their public-service body or from their tax services offices.

Non-Profit Organization (NPO) Information Return

Until recently, only some non-profit organizations, such as those that are incorporated, needed to file returns. Now, certain agricultural organizations, boards of trade, chambers of commerce, and non-profit organizations have to file the *Non-Profit*

Organization (NPO) Information Return for income tax.

Organizations have to file this return if they meet one of the following conditions:

- the organization received or is entitled to receive dividends, interest, rental income, or royalties totalling more than \$10,000 in the fiscal period; or
- the total assets of the organization were more than \$200,000 at the end of the last fiscal period.

Once an organization has had to file this return, it will have to continue filing the return for all future fiscal periods. This is the case regardless of the dollar value of its revenues or the book value of its assets in future years.

For more information on non-profit organizations, or to get a copy of the *Income Tax Guide to the Non-Profit Organization (NPO) Information Return*, clients can contact their tax services offices. Addresses and telephone numbers appear in Appendix C.

Registered charities information

The Charities Division is responsible for reviewing applications for charitable registration under the *Income Tax Act*, providing technical advice to clients on the operations of registered charities, and handling audit and compliance activities.

We at Revenue Canada offer a bilingual, toll-free telephone service to help people who want information about registered charities. This service provides information on whether an organization is registered as a charity, whether people can make tax-assisted gifts to registered charities under specific circumstances, and how organizations can become registered as charities for income tax purposes. Through this telephone service, people can also get copies of the latest public information return filed by a specific registered charity.

Callers can reach the service at 1-800-267-2384 weekdays from 8:00 a.m. to 5:00 p.m. Eastern Time. Callers in the Ottawa area can reach the Charities Division by phoning (613) 954-0410.

Clients can find publications and forms related to charities as well as a listing of all charities registered with Revenue Canada on our web page at: www.rc.gc.ca/charities

Clients can also find out whether a charity is registered by contacting their tax services offices. These offices also have information on non-profit organizations that are not registered charities. Appendix C includes the addresses and telephone numbers of tax services offices.

Chapter 3 – Customs programs and services

Travellers

Most Canadians returning to Canada after a foreign trip are quite familiar with their entitlements and obligations for declaring imported goods, and paying duties and taxes. Pamphlets such as *I Declare* provide simple explanations for travellers dealing with customs. (See also "Businesses" on page 39.)

Canada – United States of America Accord On Our Shared Border

This undertaking commits the two countries to border-service programs that promote international trade, reduce the cost and burden of compliance, promote tourism, improve service, increase trade, and speed the movement of goods and people between Canada and the U.S. The Accord also strengthens enforcement by focussing on the smuggling of guns, drugs, and other contraband, and on high-risk travellers. The programs will use state-of-the-art technology and automated devices, and will save Canadian taxpayers money.

Revenue Canada, Citizenship and Immigration Canada, the U.S. Customs Service, and the U.S. Immigration and Naturalization Service are working together to improve services for travellers at land border crossings, airports, and on common waterways.

Initiatives will include:

- establishing a joint program for frequent travellers at land and marine border sites and airports;
- developing a joint client services program to help the trading community and the travelling public;
- pursuing an agreement on sharing responsibility for asylum seekers;
- streamlining the processing of commercial goods; and
- reducing costs by sharing equipment, buildings, and joint new construction.

We at Revenue Canada are undertaking a series of projects to test alternatives that we will eventually introduce across Canada.

CANPASS Program

CANPASS includes five initiatives under the Accord. One of the Accord's long-term goals is to have an integrated program with one application process for entering both Canada and the U.S. at major border crossings and airports. Through CANPASS, we can preapprove frequent, low-risk travellers to pass quickly and easily through customs.

CANPASS – Airport – This program started in Vancouver in the fall of 1995. Preapproved travellers can enter Canada at a CANPASS kiosk using their CANPASS access cards, which include a personal identifier. They can also use the kiosk to declare any goods they are importing, and will receive a receipt as proof of their declaration. Customs and immigration officers monitor the kiosk and continue to check travellers regularly.

We are considering expanding a similar system to other international airports in Canada, in partnership with the private sector.

CANPASS – Highway – This program is based on the Peace Arch Crossing Entry (PACE) Program which began in Douglas, British Columbia, in 1991. The program has expanded to the Boundary Bay, Pacific Highway, and Huntingdon border crossings in the lower mainland of British Columbia, and to Saint-Bernard-de-Lacolle, Quebec.

Participants receive CANPASS decals for their windshields that allow them to use a special CANPASS lane. Customs officers visually monitor the lane for the decals and check vehicle licence plates against both the CANPASS system, and the Primary Automated Lookout System (described on page 38).

Preapproved travellers importing goods while using the CANPASS lane must have a valid credit card to use a special declaration system. Any duties and taxes owing are automatically charged to their credit cards.

CANPASS – Private Aircraft – This is a national telephone reporting system for travellers using preapproved airports. All travellers flying in private aircraft have to call 1-888-CANPASS (1-888-226-7277), to contact the Department before leaving the U.S., to verify their eligibility to enter Canada. Now, these travellers can apply for preapproved clearance, which speeds up customs procedures when they arrive in Canada. They are still responsible for any taxes and duties owing, and are subject to spot checks.

CANPASS – Private Boats – Under this program, travellers in private boats report to the Department by telephone before entering Canada. Travellers in private boats who have a permit can enter the country at any preapproved marina. Those without a permit can only enter at designated marinas.

CANPASS – Remote Ports – This initiative allows preapproved local residents to cross the border when their local customs offices are closed. Canada and the U.S. began jointly testing this program in 1995. Three pilot sites are currently in operation. One site uses a controlled gate with voice-recognition technology, and the other two sites are testing licence-plate readers. Another site has been selected to test video inspection technology in the near future.

Preapproved travellers having goods to declare use a special declaration system that is linked to their credit cards. Participants complete their declaration cards, drop them in a special box, and any duties and taxes owing are automatically charged to their credit cards. Teams of customs officers periodically monitor the locations.

In the fall of 1997, we began consultations with 22 communities to find out what level of service they needed, and to choose the most

appropriate technologies. We plan to implement CANPASS – Remote Ports in these communities by the year 2000.

For information on commercial initiatives under the Accord, see page 39.

Convention services

At Revenue Canada, we recognize the importance the meeting, convention, and incentive-travel (MCIT) industry has to the Canadian economy. In partnership with other government departments, we are streamlining processes at the border to make it easier to hold an international event in Canada.

We are the single point of contact for all government services the MCIT industry requires. One phone call provides access to a network of federal departments and officials who will ensure that all border requirements related to the event are identified early in the planning process. We also have regional conventions co-ordinators across the country who are available to assist members of the industry by providing services in or near the city where their event is being held.

For more information on convention services, clients can contact the National Conventions Services Co-ordinator in Ottawa at (613) 941-3123, or the nearest customs border services office listed in Appendix D.

Customs Casual Refund Centres

Casual Refund Centres process requests for refunds of non-commercial (casual) shipments imported by mail or courier, or brought in by travellers. The eight refund centres requisition refund cheques, where appropriate, for customs duties, GST/HST, and provincial sales tax collected at the time of import. Clients can use the simplified Form B2G, Customs Informal Adjustment Request, to request a refund of duties and taxes on imported casual goods. Clients can get Form B2G at customs border services offices, or on the back of Form E14, Customs Postal Import Form.

Customs information days

We host free information days in cities across Canada to give travellers, importers, and exporters information on customs-related topics. Details on these information days can be found on page 40.

Duty exemptions for travellers

Personal exemptions

To qualify for a personal exemption, a traveller must be:

- a Canadian resident returning from a trip abroad;
- a former Canadian resident returning to live in Canada; or
- a temporary resident of Canada (e.g., a foreign student living in Canada for a specific period of time).

Children and infants qualify for personal exemptions as long as the imported goods are for the use of the child or infant. The parent or guardian makes the customs declaration for the child.

After an absence of 24 hours or more, travellers can claim an exemption of up to CAN\$50. If the value of the goods is more than CAN\$50, the traveller cannot claim the exemption, and must pay duties and taxes on the entire amount. The goods must accompany the traveller on the return trip to Canada, and cannot include alcohol or tobacco products.

After an absence of 48 hours or more, travellers can claim an exemption of up to CAN\$200. The goods must accompany the traveller on the return trip to Canada and can include alcohol and tobacco products.

After an absence of seven days or more, travellers can claim an exemption of up to CAN\$500. The goods can accompany the traveller on the return trip or, with the exception of alcohol or tobacco products, may follow later by mail or other means.

Travellers cannot combine or transfer exemptions, or carry over an unused portion of an exemption for another period of absence.

Alcohol and tobacco

Alcohol and tobacco products can be included in the 48-hour and 7-day exemptions and must accompany the traveller on the return trip to Canada. Travellers must meet the age requirements set by the province or territory where they enter Canada.

Returning residents are allowed up to 200 cigarettes, 50 cigars or cigarillos, 200 tobacco sticks, and 200 grams of manufactured tobacco. Quantities of more than these amounts are subject to all applicable duties and taxes.

Travellers returning to Canada with alcoholic beverages are allowed up to 1.14 litres (40 oz.) of wine or liquor, or 24 335-ml (12-oz.) cans or bottles of beer or ale. Quantities of more than this amount must be within the limits set by the province the traveller is entering, and are subject to all applicable duties and taxes.

Restrictions

Additional rules and restrictions apply to importing:

- antiquities or cultural objects
- dairy products
- endangered species
- explosives
- firearms and ammunition
- fireworks
- fresh fruit and vegetables
- live animals and animal products
- meat and poultry
- motor vehicles

For more details on travellers' rights and obligations, please refer to the pamphlet *I Declare*, which is available at any customs border services office or border location.

Duty-free shops

Duty-free shops are retail stores operated by the private sector, where duty- and tax-free goods are sold to travellers leaving Canada, for direct export. Canada has 19 duty-free shops at airports and 37 at land border crossings throughout the country.

Goods in duty-free shops are not for domestic consumption and must be exported when they are purchased. Some of these stores also provide a variety of services to the travelling public, such as the GST/HST Visitor Rebate Program, currency exchange, and travel insurance.

To receive a rebate of up to CAN\$500, non-resident visitors have to present their original receipts and photo identification at a participating duty-free shop when they leave Canada. In addition, they must have the goods available for duty-free shop staff to examine. If they do not have the goods with them, they have to provide proof that they exported the goods from Canada.

All participating duty-free shops at land border crossings will process the Manitoba and Quebec sales tax rebates at the same time as the GST/HST visitor rebate, regardless of where a non-resident visitor leaves Canada. Duty-free shops in airports do not participate in the Visitor Rebate Program.

International Project Return

The Our Missing Children program is a joint initiative among the RCMP's Missing Children's Registry, Revenue Canada's International Project Return, Citizenship and Immigration Canada, and Foreign Affairs and International Trade. The program helps locate abducted and missing children and return them to their proper guardians. At Revenue Canada, we have more than 3,500 customs officers on the alert for abducted children and runaways at

international airports and land border crossings.

International Project Return is also part of a network of agencies from more than 40 countries. This network regularly exchanges information to help member agencies find missing children and reunite them with their families.

People crossing international borders should remember that customs and immigration officers are on full alert for children who need protection. For this reason, children or youths travelling without proper identification or with adults who are not their legal guardians may be interviewed more thoroughly.

To help avoid delays at international borders, travellers should always carry identification for their children, no matter how old their children are. If travellers are separated or divorced, they should also carry legal documents about custody rights. In addition, if they are not the legal guardian of the child, they must carry a letter of permission from the legal guardian that authorizes them to have custody of the child when entering Canada.

For more information, clients can call **(613) 990-8585**, 24 hours a day. People with information on missing children can call toll free at 1-800-THE LOST (**1-800-843-5678**). We pass on all leads to the RCMP's Missing Children's Registry.

NAFTA information services for travellers

Customs procedures have not changed for the travelling public under the North American Free Trade Agreement (NAFTA). However, travellers are entitled to reduced rates of duty on qualifying U.S. and Mexican goods.

For more information, travellers can consult our Internet site (see page 11), or publications such as I Declare, Bringing Back Goods From the United States, and Bringing Back Goods From Mexico, which contain NAFTA duty rates.

Clients can also get information from the Automated Customs Information Service (ACIS) by calling the phone numbers listed in the section on ACIS on page 10, or by contacting any customs border services office listed in Appendix D.

Postal Import Control System (PICS)

At Revenue Canada, we process incoming international mail and items at five customs mail centres. These centres are in Canada Post facilities in Calgary, Montréal, Toronto, Vancouver, and Winnipeg.

Customs officers screen all mail items to determine if they are admissible and release the items not subject to duty or GST/HST, and items that are exempt under the *Postal Import Remission Order* or gift exemptions. They return these items to Canada Post for immediate delivery.

For goods with duties and taxes owing, PICS generates Form E14, Customs Postal Import Form, which shows the duties and taxes for all commercial goods under CAN\$1,600 and all non-commercial goods regardless of value. We then give the parcel, with Form E14 attached, to Canada Post to deliver and collect duties and taxes, plus a CAN\$5 handling fee, from the importer. We hold commercial goods worth CAN\$1,600 or more until customs accounting is complete.

Primary Automated Lookout System (PALS)

Revenue Canada and Citizenship and Immigration Canada have established a lookout system for high-risk travellers, such as terrorists and drug smugglers. Under PALS, customs officers have a passport reader or licence-plate reader tied to an immigration and customs database, which gives them information on high-risk travellers.

This system, which speeds up processing and screens travellers more accurately than manual methods, is in place at major airports and land border crossings.

Self-declaration system (SDS)

Revenue Canada has introduced a self-declaration system at Vancouver International Airport to make the duty-collection process faster for travellers.

Before they arrive at customs, travellers complete a form called the *Self Declaration Card*, to declare goods they purchased outside Canada. The system uses a set of basket-tariff items (similar items grouped under a single tariff rate) to identify duties and taxes on given goods.

The information from the card is read and entered into the SDS by machine. The system calculates amounts owing, processes the payment, and sends travellers on their way quickly and efficiently.

Small Vessels Permit System

The Remote Area Border Crossing (RABC) permit system, available in northwestern Ontario, allows preapproved boaters to cross the border without reporting to customs, as long as they are not importing goods. Permit holders importing goods make their declarations to customs by phone before leaving the United States. Customs officers ther give them a reference number and instructions on how to pay duties and taxes.

Travellers Entry Processing System (TEPS)

To improve service to the public, the Travellers Entry Processing System (TEPS) was put in place. TEPS is an automated entry processing and accounting system for travellers. This system makes it easier for customs officers to determine tariff classifications and complete the documents for travellers clearing customs. TEPS has reduced processing time from 10 minutes to about 2.5 minutes per traveller.

Businesses

Experienced importers and agents carry on most of Canada's commercial import business. People wanting to import goods into the country can contact their customs border services offices for information and help before importing, or refer to the publication *Guide to Importing Commercial Goods*.

Local customs staff can call on specialists and administrators knowledgeable in customs tariff issues, valuation, origin requirements, and duties relief programs. Appendices D and E list addresses and phone numbers for customs border services and trade administration services offices.

For interpreting policy and resolving complex cases, regional and headquarters staff members help clients in the areas listed under "Trade administration" on pages 46 to 48.

Canada – United States of America Accord On Our Shared Border

Commercial initiatives are being developed under the Accord to streamline customs clearance and reduce commercial traffic congestion. These initiatives include the Commercial Vehicle Processing Centre (CVPC) and the North American Trade Automation Prototype (NATAP).

For information on Accord initiatives relating to travellers, see page 34.

Commercial Vehicle Processing Centre (CVPC)

At the Fort Erie-Buffalo border crossing, southbound commercial traffic congestion is a serious problem. In an effort to reduce congestion on the bridge, the Buffalo-Fort Erie Public Bridge Authority is planning to construct a CVPC facility in Fort Erie to control U.S.-bound commercial traffic.

As an Accord initiative, Revenue Canada and the U.S. Customs Service are considering expanding the scope of the CVPC to include prearrival processing of U.S.-bound commercial traffic. This prearrival processing agreement

would become the model for other sites where similar traffic congestion problems exist.

North American Trade Automation Prototype (NATAP)

NATAP is an electronic-commerce initiative being developed by Canada, the United States, and Mexico. Its purpose is to streamline the customs clearance of commercial goods through common data elements, documents, and processes. NATAP is also evaluating the use of Intelligent Transportation Systems (ITS) and the concept of a seamless border for low-risk cargo and preapproved drivers.

The prototype is a low-volume test of the new concepts, and operates parallel to the current system. It allows the Department to experiment with and evaluate:

- a system based on electronic commerce;
- a standard North American data and transaction record;
- communications technologies such as the Internet; and
- state-of-the-art transponder and radio-frequency devices.

Concepts proven successful through NATAP will be incorporated into the mainstream systems of all three countries.

Courier Low-Value Shipment (LVS) Program

This program reduces the cost of doing business by simplifying procedures, and speeding up the release process. For commercial imports of less than CAN\$1,600, the LVS Program allows companies to submit one monthly consolidated accounting report instead of accounting individually for each low-value shipment. The LVS Program helps business by:

- allowing faster release of shipments;
- extending the accounting period for low-value shipments;
- lowering accounting costs for business;
- reducing cargo handling and warehouse space for couriers; and
- reducing the documents, records, and transactions required.

Except for controlled, prohibited, or regulated goods, the program is available to both commercial importers of low-value goods who use interim accounting, and bonded commercial carriers who:

- arrange with licensed customs brokers or importers to account for goods released under the program;
- arrange with the Department to present and open shipments on request at a suitable location; and
- satisfy the Department that they maintain adequate records for audit purposes.

Customs information days

At Revenue Canada, we host free information days in cities across Canada, to give travellers, importers, and exporters (especially small- and medium-sized businesses) information on customs-related topics.

Activities at the one-day seminars include:

- information sessions and demonstrations on a variety of customs matters; and
- an exhibit area with booths representing Revenue Canada, the U.S. Customs Service, other Canadian government departments, and related trade associations.

For more information, clients can contact the Customs and Trade Administration Branch in Ottawa at (613) 957-7256.

Electronic data interchange (EDI)

We at Revenue Canada have implemented several EDI systems to streamline the customs commercial process.

Accelerated Commercial Release Operations Support System (ACROSS)

The Accelerated Commercial Release Operations Support System (ACROSS), implemented in April 1996, is one of our reengineering initiatives. This system allows importers and brokers to exchange information with customs electronically before the goods arrive at the border. This speeds up release times and reduces the workload associated with low-risk shipments, because the information can be transmitted, from anywhere in Canada, one hour to 10 days before the goods arrive at the border. ACROSS provides many benefits to commercial importers and strengthens our ability to protect both Canadian society and the economy.

By expanding the use of electronic commerce, ACROSS improves services and streamlines processes by:

- reducing paper handling costs;
- transmitting cargo (marine and rail) and release data nationally, 24 hours a day, 7 days a week;
- eliminating rekeying of data;
- facilitating the release of goods subject to Canadian Food Inspection Agency requirements;
- eliminating paper permits for Foreign Affairs and International Trade;
- managing customs workloads electronically;
- eliminating the physical presentation of release data; and
- improving compliance verification by using more sophisticated and powerful targeting tools.

Customs Automated Data Exchange (CADEX) System

CADEX enables importers and brokers to electronically send import data for goods already released. Participants can also access certain customs files, and receive accounting data, release notifications, file updates, and an overdue release report. Implemented in 1988, CADEX was our first customs EDI system.

Customs Declaration (CUSDEC) Message

CUSDEC has basically the same function as CADEX. However, the CUSDEC message is an approved EDI international standard, whereas the CADEX version is proprietary. We first implemented CUSDEC in 1992.

Release Notification System (RNS)

RNS electronically notifies importers and brokers, warehouse operators, and carriers of customs releases. RNS includes the following features:

- delivery instructions participants can attach delivery instructions to a release record before the goods arrive;
- processing acknowledgement participants can receive an automatic status message, or they can ask the system for information on the status of their shipments;
- arrivals notification participants notify us of the arrival of goods and receive a status message of released or referred; and
- automatic release notification participants automatically receive a notification when we release their goods.

Export reporting

Complete and accurate export trade data allows Canada to:

- facilitate trade;
- negotiate new international trade agreements;
- administer existing international trade agreements;

- ensure equitable access to foreign markets; and
- ensure compliance with existing laws.

Under the *Customs Act*, exporters must report, in writing, all goods shipped out of Canada before they are exported. An export report has three elements: Form B13A, *Export Declaration*, or summary report; all certificates, licences, or permits required to export goods that are prohibited, controlled, or regulated by an act of Parliament; and the cargo report (transportation documents and customs cargo control documents).

Exporters can declare their exports on a transactional basis, and can use Form B13A for this purpose. With customs approval, exporters can also declare their exports on a monthly basis using the summary reporting program. Exporters using monthly summary reporting must continue to submit permits, certificates, and licences at the port of exit before export.

Exporters have to report all goods subject to export control and all goods valued at CAN\$2,000 or more destined to countries other than the U.S. Goods subject to export controls include strategic, embargoed, and dangerous goods; endangered species; and other controlled or regulated goods.

Exporters no longer need Form B13A for goods destined for consumption in the U.S. However, before shipping controlled, regulated, or prohibited goods, regardless of the value or destination, exporters have to provide customs with the required permit, certificate, or licence. Canadian goods exported to the U.S. must meet all licence, permit, or certificate requirements as well as other criteria set out by the regulating government department.

Statistics Canada uses the information from Form B13A and the monthly summary report, as well as data obtained under a data-sharing agreement with the U.S. government, to compile Canada's export trade statistics.

Methods to streamline the reporting process are being developed in consultation with exporters.

This initiative is part of the Department's ongoing commitment to improve service to the exporting community.

More information on export reporting requirements is available through ACIS (see page 10), or through the regional export co-ordinators (see Appendix D for telephone numbers). Clients can also reach the Export Section in Ottawa by phone at (613) 954-7160 or by fax at (613) 952-1698.

Line Release System

We at Revenue Canada designed the Line Release System to help importers of commercial shipments by speeding up the clearance of shipments at border or inland customs locations. Its processes provide the importing community with quicker, more efficient service so that it can stay competitive in an ever-changing marketplace.

The Line Release System incorporates two distinct service options:

Frequent Importer Release System (FIRST)

FIRST enables customs to release repeated low-risk shipments, (e.g., bulk loads like sand or gravel, and single-commodity shipments), for frequent importers. An importer with a high degree of voluntary compliance with departmental regulations can apply to us for authorization to use FIRST. When the goods of an importer with FIRST privileges arrive at the border, a customs officer examines the FIRST documents and decides whether to examine or release the shipment.

Prearrival Review System (PARS)

PARS enables customs to process release information before a commercial shipment arrives in Canada. Importers or brokers have to provide customs with release documents, or release data via EDI, at least one hour before the shipment arrives. Customs processes the documents, or data, and recommends that the shipment either be examined or released. When the goods arrive, they may be processed at the Primary Inspection Line, through a

counter-release process, or by an arrival notification being sent electronically through the Release Notification System (RNS).

We refer to the Prearrival Review System by different acronyms depending on how the goods are transported, and where they are to be released. At border locations where goods arrive by highway, the acronym is PARS. At locations where the goods arrive by rail, the acronym is RAILPARS. Similarly, marine freight is MARINEPARS and air freight is AIRPARS. Goods clearing at inland highway sufferance warehouses are processed under INPARS. An importer or broker who has release before payment account security privileges, the ability to receive invoice and manifest information, and who provides this information to us before a shipment arrives, car use any of these prearrival review processes.

PARS and FIRST are available at all automated frontier border crossings. INPARS is now at many of the inland sites and is available to interested participants on request. Other features of PARS (i.e., air, marine, and rail), as well as a process for inland FIRST, are available on request from a limited number of inland sites.

For more information on the Line Release System, clients should contact their nearest customs border services office listed in Appendix D.

NAFTA information services

Customs procedures have not changed for most of Canada's importing community under the North American Free Trade Agreement (NAFTA). However, for the textile, apparel, chemical, and automotive sectors, there are significant differences. NAFTA commercial information is available through ACIS (see page 10). We also have the following customs information services available to answer questions on NAFTA customs procedures.

Electronic bulletin board

This automated system has nine categories of information:

- Anti-dumping and Countervailing Directorate;
- customs notices;
- GATT (WTO Agreement) information;
- general information;
- national customs rulings;
- new departmental memoranda;
- origin news;
- seasonal duties on fruits and vegetables (B-memoranda); and
- tariff updates.

Clients can access the electronic bulletin board at no charge with a modem, a communications software package, and the following computer set-up:

=	baud rate	2400
	parity	N
=	bit 🗻	8
	bit stop	1

They can then call the bulletin board toll free at 1-800-267-5979.

Information on the World Trade Organization Agreement Implementation Act can be found under the menu item "GATT (WTO Agreement) information." As well as general information on the WTO agreement, the bulletin board has information on the first-come, first-served tariff rate quota levels. We update this information daily.

For more information on the bulletin board, clients can call the manager, Tariff Systems, Customs and Trade Administration Branch, at (613) 941-2146.

NAFTA enquiry line

Clients can call **1-800-661-6121** or **(613) 941-0965** between 8:00 a.m. and 5:00 p.m. Eastern Time, Monday through Friday, for answers to questions on NAFTA. After 5:00 p.m., clients can leave messages, and their calls will be returned the next working day. They can also fax their questions to **(613) 952-0022**.

Our NAFTA publications and customs notices are available by calling or faxing the NAFTA enquiry line.

The United States and Mexico have set up their own NAFTA enquiry lines. For U.S. customs information (service available in English only), call (972) 574-4061 or 1-800-829-1906 (from Canada only). For Mexican customs information, call 52-5-211-3545 (service available in Spanish only). For service in Spanish and English call (972) 574-4061 or 1-800-829-1906 (from Canada only).

Publications

Many of our publications, including NAFTA publications are on our Internet site at: www.rc.gc.ca

Seminars and conferences

At Revenue Canada, we provide speakers and experts to answer questions about NAFTA and other trade agreements, and how they affect members of national associations, or other interested parties such as U.S. or Mexican exporters, Canadian importers, or customs brokers. Clients can call Trade Obligations at (613) 952-3483 or (613) 952-6837 to arrange for speakers.

Workshops for business

We help associations and businesses develop training packages for various sectors to help businesses most affected by NAFTA and other trade agreements understand the rules. Clients can call Trade Obligations at (613) 952-3483 or (613) 952-6837 for more information.

National Customs Rulings Program

A national customs ruling (NCR) is a written statement we give importers or their agents. The ruling states how we will apply specific provisions of existing customs legislation to an importation. NCRs apply to the following departmental programs: tariff classification, origin, and value for duty. For reference, we have published the policy portion of a number of these NCRs in Memorandum D11-11-2, *Policy Content of Tariff Classification National Customs Rulings (NCRs)*.

The NCR program gives businesses certainty by providing them with rulings on their customs liabilities that will be honoured nationally. We offer this service within 30 days for regular cases and 120 days for complex cases or cases needing a verification audit. Rulings are binding on both us and the importer. Importers have to provide all relevant information.

Importers or their agents have to submit a request for an NCR in writing to the chief, Rulings and Appeals, Trade Administration Services, at their nearest trade administration services offices (see Appendix E for addresses). These offices also have more information about the program.

New Business Relationship initiatives

The New Business Relationship (NBR) reduces the administrative burden on businesses, and offers gains in efficiency to help them maintain a competitive edge. Under this client-centred approach, we at Revenue Canada consider a company's capabilities, business needs, and record of compliance when choosing the customs practice that best meets the needs of both the company and us.

Testing of the procedures began with the aerospace and automotive sectors in 1993 and 1994. The concepts tested form the basis of a streamlined customs commercial process with a client focus. We continue to foster a co-operative working relationship that enables both businesses and the Government to respond to the changing trade environment. For instance, procedures for reporting, release of

goods, accounting, verification, adjustment, and redress are being more closely aligned with modern-day business practices for global trade.

Through commercial reengineering, we will provide new short-, medium-, and long-term initiatives. In keeping with our findings that one size does not fit all, we will offer tailored solutions so that businesses can select the options that best match their business practices

In the short term, we are developing two initiatives called the One Step Process and the Enhanced Option.

One step process

This process will eliminate redundancies in the existing two step process, an option that will appeal to all businesses. Importers have told us that they often have all the information they need for customs reporting before their goods arrive, or at the time of arrival, but use a two step process to postpone payment. The One Step Process allows a single transmission of release and final accepting information, and we postpone billing until the appropriate accounting period.

Enhanced option

This option will harmonize customs administration with modern business practices and simplify the release process for importers. Highlights of this process include:

- reducing data requirements;
- eliminating the requirement to present invoices;
- eliminating linkages and inventory controls;
- moving to a monthly reporting period with extended accounting time frames;
- streamlining adjustment processing; and
- centralizing program compliance to eliminate transactional interference when importing commercial goods.

In the medium term, commercial reengineering will include initiatives to further enhance our service delivery, and allow us the flexibility to meet our clients' varying needs. This phase of the New Business Relationship will include electronic adjustments, and other improvements to the Customs Commercial System to reduce the restrictions it imposes on access to data between offices and regions. It will also help us provide a more streamlined service and support to our clients while ensuring that national programs are applied consistently from region to region.

Our client industry sector profiles continue to become more clearly defined as periodic verification progresses, and client data is collected. These profiles allow us to be more responsive to the needs of our individual clients. We are developing the concept of a client account representative to increase and facilitate the flow of information between us and our business partners. This enhancement will improve both service and compliance in a self-assessment environment.

Joint services with Canadian Food Inspection Agency (CFIA) project

We at Revenue Canada are working closely with CFIA to improve border service for agricultural importers, and to increase compliance with federal regulations for agri-food commodities.

Under a joint services initiative, our cashiers across Canada collect inspection fees from CFIA clients at the time of importation, and forward these fees to CFIA monthly. We also provide CFIA with monthly importation reports to streamline their billing processes.

Joint services with Environment Canada project

At several sites in Quebec and Ontario, we at Revenue Canada are involved with Environment Canada in a pilot project to increase compliance with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). To enhance service to importers and exporters, specially trained

customs officers at these sites perform some of the functions of an Environment Canada wildlife inspector.

CITES-trained customs officers inspect, identify, and either release or detain routine or common products and derivatives of animals and plants CITES controls. They also verify permits, distribute validated permits, complete the Environment Canada identification form, and provide CITES awareness training to fellow officers.

This initiative will be considered for national implementation based on evaluations prepared by each of the pilot sites.

Video teleconferencing – We are also enhancing our commercial services while improving CITES compliance with the video teleconferencing pilot between our inspection facility in Mississauga, and Environment Canada's office in Guelph. Using a video camera and a monitor, the customs officer transmits a digitized picture of an item to the receiving monitor at Environment Canada. The wildlife inspector can immediately identify the item without leaving his or her office. This speeds up the examination and release process and improves client service, by eliminating the wildlife inspector's weekly trip to our inspection facility to examine and release goods.

If the pilot is effective, the video teleconferencing partnership between us and Environment Canada is expected to grow, with transmission units being established at other major sites across the country.

Release of goods before paying duties and taxes

We allow importers who post security with us to have their commercial goods released before they pay duties and taxes. These importers pay their duties and taxes through a monthly payment program.

Importers who have posted security can request release of their goods on minimum documentation. The Release on Minimum Documentation (RMD) Program speeds up clearance through customs, by reducing the amount of information importers have to provide to us at the time of release.

Small business information seminars

We offer free small business seminars to inform new or prospective businesses about their rights and obligations under the customs, excise, GST/HST, and income tax legislation; and about services available to help them. Details on these seminars can be found on page 31.

Trade administration

Origin determination

Origin experts provide advice on origin determination and tariffs, including advice on which goods qualify for reduced or free duty rates under the North American Free Trade Agreement. For more information, clients can contact their nearest trade administration services offices. Addresses and telephone numbers can be found in Appendix E.

Other trade agreements

Clients with questions about trade agreements can call **1-800-661-6121** or **(613) 941-0965** between 8:00 a.m. and 5:00 p.m. Eastern Time, Monday through Friday. After 5:00 p.m. clients can leave messages, and their calls will be returned the next working day. They can also fax their questions to **(613) 952-0022**.

Protection against unfair foreign competition

The Special Import Measures Act (SIMA) protects Canadian producers and manufacturers against unfair foreign competition from imports of low-priced dumped or subsidized goods.

Dumped goods are sold to importers in Canada at prices less than their selling price in the exporter's domestic market, or at prices less than their full cost. Subsidized goods get financial or commercial benefits from a foreign government that lower the price of goods exported to Canada. If these imported goods

cause, or threaten to cause, injury to Canadian producers of similar goods, we at Revenue Canada can impose anti-dumping or countervailing duties on the import of these goods. To find out more about the anti-dumping program, or to get help with filing a complaint, call (613) 954-7269.

Tariff classification

Tariff experts provide advice on tariff classification and interpretation of the *Customs Tariff* (legislation describing goods and giving the rates of duty that apply to them). For more information, clients can contact their nearest trade administration services offices. (See Appendix E for addresses and telephone numbers.)

Valuation

Valuation experts provide advice on the value for duty of goods, which is the base on which we assess import duties and taxes.

Departmental publications also help the importing community determine import values For more information, clients can contact their nearest trade administration services offices.

Duties relief programs

At Revenue Canada, we have a variety of programs that allow us to waive (relief), postpone (deferral), or refund (drawback), some or all of the duties and taxes that importers must pay. The following summary highlights some of the programs available.

Canadian Goods Abroad Program – This program allows for partial or full relief from paying customs duties and taxes on goods exported for repairs, additions, or work done abroad and later returned to Canada, as long as specific conditions are met.

Duty Deferral Program – This program includes the bonded warehouses, duties relief, and duty drawback programs.

Bonded warehouses

Bonded warehouses are facilities licensed to store both imported goods before release from customs, and goods destined for export.

While in the warehouse, we defer the total customs duties, excise taxes, GST/HST, provincial sales tax, surtax, and countervailing duties. Clients can place goods in the warehouse for up to 4 years for basic goods, and up to 15 years for specified goods. Clients may be able to extend these periods when extenuating circumstances prevent clearing the goods within established time periods.

While in bond, goods can be maintained and serviced to comply with any applicable federal or provincial laws, or arranged to separate defective goods from prime-quality goods.

In addition, clients can relabel, repackage, store, inspect, display, test, destroy, or export goods in bond. However, this program does not allow full manufacturing in bond.

Duties relief

This program allows qualified companies relief from paying duties on imported goods as long as the companies eventually export the goods either in the same condition, or after being manufactured or used in a limited manner.

In most cases, imported goods intended for export from Canada may qualify for relief of customs duties, anti-dumping and countervailing duties, or excise taxes other than GST/HST. Although we do not provide relief of GST/HST under the Duties Relief Program, relief is available through the Exporter of Processing Services (EOPS) program. For more information on EOPS, clients can contact their nearest trade administration services offices, listed in Appendix E.

Goods imported under the Duties Relief Program must be exported from Canada no later than four years from the date we release them. Imported spirits used to manufacture distilled spirits must be exported within five years.

Imported goods, other than fuel or plant equipment consumed or expended to directly manufacture goods intended for export, are also eligible for relief of duties.

Imported and domestic goods of the same class, used interchangeably to manufacture products, some of which are exported, are also eligible for relief. We refer to this as equivalence. There must be enough imported goods to produce the exported goods. The imported goods also have to be used before the domestic goods in the plant producing the exported goods. The finished product (using the imported goods), must be exported within two years of the imported goods release date. Equivalence can only apply to goods that are further manufactured, including consumable and expendable goods.

Under this program, we can waive the duties on scrap or waste resulting from processing when the processed goods are exported. If the scrap or waste is dutiable if imported, and has a marketable value, it is not entitled to relief unless it is exported.

Duty drawback

This program helps Canadian companies become more competitive in export and domestic markets. Under the program, we can refund duties on imported goods when the goods are exported in the same condition, or are further manufactured or used in a limited manner to produce goods for export. This program has the same advantages and options as the Duties Relief Program. The only difference is that this program is for people who have already paid the duty and are asking for a refund.

Machinery Program – This program currently provides relief of customs duties on imported machinery and equipment not available from Canadian production. Proposed changes to the Customs Tariff will eliminate the need for the Machinery Program. See the What's New section at the front of this publication for details.

Remission – We offer several remission programs to Canadian manufacturers and importers that provide relief from paying customs duties at the time of import, when the goods meet certain legislative conditions.

Temporary importations – There are also programs which provide relief from paying all or a portion of the customs duties for certain goods imported and later exported after being used in Canada for a specific purpose. In addition, we may consider certain goods non-taxable under the *Non-Taxable Imported Goods (GST) Regulations*. For more information, clients can contact their nearest trade administration services office, listed in Appendix E.

Appendix A – Some Revenue Canada publications

Many Revenue Canada publications are available in our local offices (see addresses in Appendices C, D, and E) as well as through our web site (www.rc.gc.ca). Clients can also mail or fax the attached order form.					
	Ore	der Form			
Ple	ase send me a copy of the following customs	publication	ns.		
Name		Address			
Tel	ephone				
Cı	ustoms				
	Automated Customs Information Service (ACIS)		NAFTA Changes to Drawback and Duty Deferral		
	Bringing Back Goods From Mexico		NAFTA Customs Procedures Manual		
	Bringing Back Goods From the United States		NAFTA Origin Redetermination Requests by		
	CANPASS – Airport		Exporters or Producers		
	CANPASS – Highway		NAFTA Rules of Origin		
	CANPASS – Private Aircraft		Our Missing Children`– International Project Return		
	CANPASS – Private Boat		Seasonal Residents		
	CANPASS – Remote Ports		Settling in Canada		
	CANPASS – Tariff Guide		Trade Administration Bulletins (TAB)		
	Country-of-Origin Marking		☐ TAB 1 – Importing Without Paying the		
	Entering Canada to Study or to Work		Duties		
	Exporting Goods From Canada, How to Report Your Shipments		☐ TAB 2 – Claiming a Drawback on Exported Goods		
	Guide for Canadian Small Businesses		☐ TAB 3 – Claiming a Drawback for Obsolete		
	Guide to Importing Commercial Goods		or Surplus Goods You Destroy		
	I Declare		☐ TAB 4 – Claiming a Drawback for Exported Motor Vehicles		
	Importing Commercial Goods Into Canada		☐ TAB 5 – Relieving Duties on Supplies for		
	Importing a Firearm or Weapon Into Canada		Government Contracts		
	Importing a Motor Vehicle Into Canada		☐ TAB 6 – Relieving Duties on Exported Goods for Ships Stores		
	Importing Non-Commercial Goods by Mail		Trilateral Customs Guide to NAFTA		
	Moving Back to Canada		Other (please specify)		
	NAFTA Advance Rulings Program		(1)		

D,	any Revenue Canada publications are available and E) as well as through our web site (www ler form.		
	Ore	der Form	
Ple	ase send me a copy of the following excise or	GST/HST	publications.
Name		Address	
Tel	ephone		
Ex	cise and GST/HST		
	Air transportation tax memoranda (please specify)		GST/HST Information for Non-Profit Organizations
	Excise duty circulars (please specify)		GST/HST Information for Non-Resident Suppliers of Publications
	Excise tax memoranda (please specify)		GST/HST Information for Non-Resident Tour Operators
	GST/HST memoranda (please specify)		GST/HST Information for Providers of Accommodations and Meeting Facilities
	GST/HST News (specify issue)		GST/HST Information for Travel Agencies and Tour Operators
	GST/HST Technical Information Bulletins (please specify)		GST/HST New Housing Rebate
	Doing Business in Canada: GST/HST		GST/HST Public Service Bodies' Rebate
	Information for Non-Residents Elections and Applications		Guide and Form for Employee and Partner GST/HST Rebate
	Federal Excise Gasoline Tax Refund Program		Guide for Canadian Small Businesses
	General Information for GST/HST Registrants		Information on Tax Relief for Indians and
	GST/HST General Rebate Application		Bands on Certain Settlements
	GST/HST Information for Charities		Publications Control of Control
	GST/HST Information for the Construction Industry		Quick Method of Accounting for GST/HST Tax Refund for Visitors
	GST/HST Information for Freight Carriers		Other (please specify)
	GST/HST Information for Municipalities		

Many Revenue Canada publications are available in our local offices (see addresses in Appendices C, D, and E) as well as through our web site (www.rc.gc.ca). Clients can also mail or fax the attached order form. Order Form Please send me a copy of the following income tax publications. Address Telephone ____ Income tax ☐ Applicant's Guide for Electronic Filing Non-Residents and Temporary Residents of Business and Professional Income Canada Northern Residents Deductions Canadian Residents Abroad Now That You Have Used EFILE Canadian Residents Going Down South Paying Your Income Tax by Instalments Capital Gains ☐ Plan Administrators' Past Service Pension Computer Specifications for Data Filed on Adjustment Guide Magnetic Media ☐ Preparing Returns for Deceased Persons ☐ Corporation Instalment Guide ☐ Rental Income ☐ Electronic Filing (EFILE) Registering Your Pension Plan ☐ Emigrants and Income Tax RRSPs and Other Registered Plans for ☐ Employers' Guide to Payroll Deductions: Basic Retirement Information Scientific Research and Experimental ☐ Employers' Guide to Payroll Deductions: Development Tax Incentive Program Taxable Benefits Information Guide ☐ Employers' Pension Adjustment Calculation ☐ Students and Income Tax Guide ☐ Support Payments ☐ Employment Expenses T2 Corporation Income Tax Guide ☐ Farming Income T3 Trust Income Tax and Information Return ☐ Fishing Income ☐ T4RSP and T4RIF Guide General Income Tax Guide ☐ Tax Information for People With Disabilities Gifts and Income Tax Using Your Home for Day Care ☐ Guide for Canadian Small Businesses ■ When You Retire ☐ Guide for Payers of Non-Resident Tax Your Appeal Rights Under the Income Tax Act ☐ Home Buyers Plan (HBP) – For 1998 ☐ Your Child Tax Benefit **Participants** Your Guide to the Charity Information Return ☐ Income Tax Guide and Return for Electing Under Section 216 Other (please specify) ■ Newcomers to Canada Non-Profit Organization (NPO) Information

Return and Guide





Revenue Revenu Canada Canada

DECLAI OF TAX

YOU ARE ENTITLED TO A FAIR HEARING AND COURTEOUS TREATMENT. FAIR HANDLING OF A COMPLAINT IS ONE OF YOUR FUNDAMENTAL RIGHTS. ONE OF OUR OBLIGATIONS IS TO HELP YOU EXERCISE YOUR RIGHTS.

YOU ARE ENTITLED TO MANY OTHER RIGHTS UNDER THE LAWS OF CANADA. YOU ARE ENTITLED TO KNOW YOUR RIGHTS AND TO INSIST THAT THEY BE RESPECTED.

DECLARATION OF TAXPAYER RIGHTS

IN YOUR DEALINGS WITH REVENUE CANADA ON INCOME TAX MATTERS, YOU HAVE IMPORTANT RIGHTS

Information

You are entitled to complete and accurate information about the *Income Tax Act*, the entitlements it allows you, and the obligations it imposes on you.

Impartiality

You are entitled to demand impartial application of the law. It is our job to collect only the correct amount of tax, no more and no less.

Courtesy and consideration

You are entitled to courteous and considerate treatment in all your dealings with us, whether we are requesting information or arranging for an interview or an audit.

Presumption of honesty

You are entitled to be presumed honest unless there is evidence to the contrary.

Privacy and confidentiality

You are entitled to expect that we will use the personal and financial information you provide us only for purposes the law allows.

Impartial review

You are entitled to object to an assessment if you believe you have been treated unfairly. You must exercise this right within a specific period. Once you have filed a notice of objection, we will conduct an impartial review of your file. If the matter is not resolved to your satisfaction, you can appeal to the courts.

Disputed amounts

You are entitled to withhold disputed amounts, to the extent the law allows, until our officers or a court decides on your objection. If you appeal to a higher court, you can put up security instead of paying the disputed amounts.

Bilingual service

You are entitled to service in the official language of your noice.

YOU HAVE THE RIGHT TO EVERY BENEFIT THE LAW ALLOWS

You are entitled to arrange your affairs to pay the least amount of tax the law allows. We are committed to applying the tax laws in a consistent and fair manner. We will be firm with those who are guilty of tax evasion. Canadä

Appendix C – Tax services offices and tax centres

ED - identifies offices that have excise duty units

TISC – identifies offices that have technical interpretation services centres

(Details on the services provided by these units can be found under "Tax services offices" on page 10.)

Business window services (see details on page 27) are offered at 41 locations across Canada. Telephone and fax numbers are included in this appendix.

Newfoundland

St. John's Tax Centre

290 Empire Avenue St. John's NF A1B 3Z1

General Enquiries: (709) 772-2200

P.O. Box 5968165 165 Duckworth Street St. John's NF A1C 5X6

General Enquiries: (709) 772-2610

1-800-959-8281

Business window

Business window

Tel: (902) 628-4227

Fax: (902) 368-0248

1-800-959-5525

Tel: (709) 772-2639 1-800-959-5525

Fax: (709) 754-5928

Prince Edward Island

Charlottetown P.O. Box 8500

94 Euston Street

Charlottetown PE C1A 8L3 General Enquiries: (902) 628-4200

1-800-959-8281

Summerside Summerside Tax Centre

275 Pope Road

Summerside PE C1N 5Z7

GST/HST

General Enquiries: 1-800-461-3567 Domestic Rebates: 1-800-565-9353 Visitor Rebates: 1-800-668-4748

Nova Scotia

Halifax P.O. Box 638

1256 Barrington Street (ED) (TISC)

Halifax NS B3J 2T5

General Enquiries: (902) 426-2210

1-800-959-8281

Sydney P.O. Box 1300

47 Dorchester Street Sydney NS B1P 6K3

General Enquiries: (902) 564-7080

1-800-959-8281

Business window

Tel: (902) 426-5300 1-800-959-5525

Fax: (902) 426-7170

Business window

Tel: (902) 564-7099

1-800-959-5525

Fax: (902) 564-3095

New Brunswick

Bathurst P.O. Box 8888

120 Harbourview Blvd. Bathurst NB E2A 4L8

General Enquiries: 1-800-959-8281

Business window

Tel: (506) 548-6744 1-800-959-5525

Fax: (506) 548-9905

Moncton P.O. Box 1070

107-1600 Main Street Moncton NB E1C 8P2

General Enquiries: (506) 636-5999

1-800-959-8281

Business window

Tel: (506) 851-3727 1-800-959-5525

Fax: (506) 851-7018

Saint John

P.O. Box 6300

126 Prince William Street Saint John NB E2L 4H9

General Enquiries: (506) 636-5999

1-800-959-8281

Business window

Tel: (506) 636-4909 1-800-959-5525

Fax: (506) 636-5718

Quebec

Chicoutimi

211-100 Lafontaine Street Chicoutimi QC G7H 6X2

Suite 220, 255 Racine East

Chicoutimi QC G7H 7L2

General Enquiries: (418) 698-5580

1-800-959-8281

Business window

Tel: (418) 698-5780 1-800-959-5525

Fax: (418) 698-5544

Hull

16th floor 15 Eddy Street

Hull QC K1A 1L4

General Enquiries: (819) 994-1995

1-800-959-8281

Fax: (819) 994-1103

Business window

Tel: (819) 994-4045 1-800-959-5525

Fax: (819) 994-1103

Jonquière

Jonquière Tax Centre 2251 de la Centrale Blvd.

Jonquière QC G7S 5J1

General Enquiries: (418) 699-0540

Laval

3131 St-Martin Blvd. West

Laval OC H7T 2A7

General Enquiries: (514) 956-9101

1-800-959-8281

Business window

Tel: (514) 956-9120 1-800-959-5525

Fax: (514) 956-6915

Longueuil

1000 de Sérigny Street Longueuil QC J4K 5J7

General Enquiries: (514) 283-5300

1-800-959-8281

Montréal

305 René Lévesque Blvd. West (ED)

Montréal QC H2Z 1A6

General Enquiries: (514) 283-5300

1-800-959-8281

Business window Tel: (514) 283-5585

Tel: (514) 283-5585 1-800-959-5525

Fax: (514) 496-8143

Ouébec

165 de la Pointe-aux-Lièvres Street South (ED)

Québec QC G1K 7L3

General Enquiries: (418) 648-3180

1-800-959-8281

Business window

Tel: (418) 648-5809 1-800-959-5525

Fax: (418) 648-4251

Rimouski

4th floor

320 St-Germain Road East Rimouski QC G5L 1C2

General Enquiries: 1-800-959-8281

Rouyn-Noranda

44 du Lac Avenue

Rouyn-Noranda QC J9X 6Z9 General Enquiries: (819) 764-5171

1-800-959-8281

Business window

Tel: (819) 764-3474 1-800-959-5525

Fax: (819) 797-8366

Shawinigan-Sud

Shawinigan-Sud Tax Centre

4695-12th Avenue

Shawinigan-Sud QC G9N 7S6 General Enquiries: (819) 537-5192

Sherbrooke

P.O. Box 1300 50 Place de la Cité

Sherbrooke QC J1H 5L8

General Enquiries: (819) 564-5888

1-800-959-8281

Business window

Tel: (819) 821-4008 1-800-959-5525

Fax: (819) 564-4226

Trois-Rivières

111-25 des Forges Street

Trois-Rivières QC G9A 2G4 General Enquiries: (819) 373-2723

1-800-959-8281

Business window

Tel: (819) 373-8783 1-800-959-5525

Fax: (819) 371-2744

Ontario

Barrie

99 Ferris Lane

Barrie ON L4M 2Y2

General Enquiries: 1-800-959-8281

Business window

Tel: (705) 739-6066 1-800-959-5525

Fax: (705) 721-0056

Belleville

11 Station Street

Belleville ON K8N 2S3

General Enquiries: (613) 969-3706

1-800-959-8281

Business window

Tel: (613) 962-2563 1-800-959-5525

Fax: (613) 969-7845

Hamilton

P.O. Box 2220, Station LCD 1

150 Main Street West Hamilton ON L8N 3E1

General Enquiries: (905) 522-8671

1-800-959-8281

P.O. Box 2220, Station LCD 1

3rd floor

120 King Street West Hamilton ON L8N 3E1 **Business** window

Tel: (905) 570-7260 1-800-959-5525

Fax: (905) 572-2338

Kingston

385 Princess Street

Kingston ON K7L 1C1

General Enquiries: (613) 545-8371

1-800-959-8281

Business window

Tel: (613) 547-7590 1-800-959-5525

Fax: (613) 545-3272

Kitchener/Waterloo

166 Frederick Street Kitchener ON N2G 4N1

General Enquiries: (519) 579-2230

1-800-959-8281

Business window

Tel: (519) 579-0490 1-800-959-5525

Fax: (519) 579-4532

London

P.O. Box 5548 451 Talbot Street

London ON N6A 4R3

General Enquiries: (519) 645-4211

1-800-959-8281

Business window

Tel: (519) 645-4223 1-800-959-5525

Fax: (519) 645-4029

Mississauga

P.O. Box 6000

77 City Centre Drive (ED) Mississauga ON L5A 4E9

General Enquiries: (905) 566-6700

1-800-959-8281

Business window

Tel: (905) 566-6702 1-800-959-5525

Fax: (905) 615-2453

North Bay

P.O. Bag 4300 180 Shirreff Avenue

North Bay ON P1B 9B4

General Enquiries: 1-800-959-8281

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North York

1000-5001 Yonge Street North York ON M2N 6R9

General Enquiries: (416) 221-9309

1-800-959-8281

Business window

Tel: (416) 221-5695 1-800-959-5525

Fax: (416) 218-4820

Oshawa

78 Richmond Street West Oshawa ON L1G 1E1 (counter service only) Fax: (905) 725-3780

Ottawa

Ottawa Tax Centre Room 9088B 875 Heron Road Ottawa ON K1A 1A2

General Enquiries: (613) 941-3333

1-800-461-5018 Fax: (613) 739-1147

333 Laurier Avenue (TISC) Ottawa ON K1A 0L9

General Enquiries: (613) 598-2275

1-800-959-8281

Business window

Tel: (613) 957-8109 1-800-959-5525

Fax: (613) 957-8130

P.O. Box 8257

1730 St. Laurent Blvd. Ottawa ON K1G 5L1

(specialty taxes and excise duty services only)

General Enquiries: (613) 998-9305 Fax: (613) 991-1818

International Tax Services Office

2204 Walkley Road Ottawa ON K1A 1A8

General Enquiries: (613) 952-3741 (outside Canada and U.S., call collect)

1-800-267-5177 (Canada and U.S.)

Peterborough

5th floor

185 King Street West

Peterborough ON K9J 8M3

General Enquiries: (705) 876-6412

1-800-959-8281

Business window

Tel: (705) 876-7319 1-800-959-5525

Fax: (705) 876-6422

St. Catharines

P.O. Box 3038 32 Church Street

St. Catharines ON L2R 3B9

General Enquiries: (905) 688-4000

1-800-959-8281

Business window

Tel: (905) 688-3523

1-800-959-5525 Fax: (905) 688-5996 Sault Ste. Marie

2nd floor 22 Bay Street

Sault Ste. Marie ON P6A 5S2 General Enquiries: 1-800-959-8281

Scarborough

200 Town Centre Court Scarborough ON M1P 4Y3

General Enquiries: (416) 973-5150

1-800-959-8281

Sudbury

1050 Notre Dame Avenue Sudbury ON P3A 5C1

General Enquiries: (705) 671-0581

1-800-959-8281

Thunder Bay

130 South Syndicate Avenue

Thunder Bay ON P7E 1C7

General Enquiries: (807) 623-3443

1-800-959-8281

Toronto

36 Adelaide Street East (TISC)

Toronto ON M5C 1J7

General Enquiries: (416) 954-3500

1-800-959-8281

Windsor

P.O. Box 1655

185 Ouellette Avenue Windsor ON N9A 7G7

General Enquiries: (519) 258-8302

1-800-959-8281

Manitoba

Brandon

2nd floor

153-11th Street

Brandon MB R7A 7K6

General Enquiries: (204) 726-7800

1-800-959-8281

Winnipeg

Winnipeg Tax Centre

66 Stapon Road

Winnipeg MB R3C 3M2

General Enquiries: (204) 984-2470

325 Broadway Avenue (TISC)

Winnipeg MB R3C 4T4

General Enquiries: (204) 983-6350

1-800-959-8281

Business window

Tel: (416) 954-0212

1-800-959-5525

Fax: (416) 954-5787

Business window

Tel: (705) 671-0541

1-800-959-5525

Fax: (705) 671-0405

Business window

Tel: (807) 623-3039

1-800-959-5525

Fax: (807) 622-8512

Business window

Tel: (416) 954-3400

1-800-959-5525

Fax: (416) 954-5294

Business window

Tel: (519) 252-5829

1-800-959-5525

Fax: (519) 252-1836

Business window

Tel: (204) 983-3918

1-800-959-5525

Fax: (204) 984-6752

Saskatchewan

Regina 1955 Smith Street

Regina SK S4P 2N9

General Enquiries: (306) 780-6015

1-800-959-8281

Saskatoon 340-3rd Avenue North (TISC)

Saskatoon SK S7K 0A8

General Enquiries: (306) 975-4595

1-800-959-8281

Alberta

Calgary 220-4th Avenue Southeast (ED) (TISC)

Calgary AB T2G 0L1

General Enquiries: (403) 223-5133

1-800-959-8281

Edmonton Suite 10, 9700 Jasper Avenue (TISC)

Edmonton AB T5J 4C8

General Enquiries: (403) 495-5400

1-800-959-8281

Lethbridge P.O. Bag 3009

300-704 4th Avenue South Lethbridge AB T1J 4A9

General Enquiries: (403) 382-3013

1-800-959-8281

Red Deer 4996-49th Avenue

Red Deer AB T4N 6X2

General Enquiries: (403) 341-7006

1-800-959-8281

British Columbia

Burnaby P.O. Box 82110

201-4664 Lougheed Highway

Burnaby BC V5C 2J3

General Enquiries: (604) 689-5411

1-800-959-8281

Kelowna 118-1835 Gordon Drive

Kelowna BC V1Y 3H5

General Enquiries: 1-800-959-8281

Business window

Tel: (306) 780-7279

1-800-959-5525

Fax: (306) 757-1412

Business window

Tel: (306) 975-5692

1-800-959-5525

Fax: (306) 652-3211

Business window

Tel: (403) 233-5131 1-800-959-5525

Fax: (403) 691-6676

Business window

Tel: (403) 495-3200

1-800-959-5525

Fax: (403) 495-6407

Business window

Tel: (250) 470-6600

1-800-959-5525

Fax: (250) 862-4744

Penticton

277 Winnipeg Street Penticton BC V2A 1N6

General Enquiries: (250) 492-9200

1-800-959-8281

Prince George

P.O. Bag 7500

280 Victoria Street

Prince George BC V2L 5N8 General Enquiries: (250) 561-7800

1-800-959-8281

Surrey

Surrey Tax Centre

9755 King George Highway

Surrey BC V3T 5E1 (counter service only)

Vancouver

1166 West Pender Street (TISC)

Vancouver BC V6E 3H8

General Enquiries: (604) 689-5411

1-800-959-8281

Victoria

910 Government Street

Victoria BC V8W 1X3

General Enquiries: (250) 363-0121

1-800-959-8281

Business window

Tel: (250) 492-9285

1-800-959-5525

Fax: (250) 492-9518

Business window

Tel: (250) 561-7800

1-800-959-5525

Fax: (250) 561-7869

Business window

Tel: (604) 669-2990

1-800-959-5525

Fax: (604) 691-4446

Business window

Tel: (250) 363-0500 1-800-959-5525

Fax: (250) 363-8188

Northwest Territories

Yellowknife

Suite 902, 4920-52nd Street

Yellowknife NT X1A 3T1 General Enquiries: (403) 920-6650

1-800-959-8281

Yukon Territory

Whitehorse

120-300 Main Street

Whitehorse YK Y1A 2B5

General Enquiries: (403) 667-8154

1-800-959-8281

Appendix D - Customs border services offices

Ithough this is a listing of main offices, Revenue Canada also has many local offices. You can find Atheir addresses and telephone numbers listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Newfoundland

St. John's 6th floor 165 Duckworth Street St. John's NF A1C 5V3 General Enquiries: (709) 772-5544

Nova Scotia

Halifax 2nd floor 1557 Hollis Street Halifax NS B3J 2R7 General Enquiries: (902) 426-2911

New Brunswick

Edmundston Room 107 66 St. Francis Street Edmundston NB E3V 1E6 General Enquiries: (506) 739-1820

Saint John

126 Prince William Street Saint John NB E2L 4H9 General Enquiries: (506) 636-4904

Woodstock

Houlton/Woodstock Border Crossing RR3 Woodstock NB E0J 2B0

General Enquiries: (506) 325-3160

Quebec

Dorval

Dorval International Airport P.O. Box 21C 975 Roméo Vachon Blvd. North Dorval QC H4Y 1H1 General Enquiries: (514) 283-9900

Lacolle

Highway 15 South Lacolle QC J0J 1J0

General Enquiries: (514) 283-9900

Montréal

Room 101 400 Place d'Youville Montréal QC H2Y 2C2 General Enquiries: (514) 283-9900

Ouébec

P.O. Box 2267 130 Dalhousie Street Ouébec OC G1K 7P6 General Enquiries: (418) 648-4445

Sherbrooke

50 Place de la Cité Sherbrooke QC J1H 5L8 General Enquiries: (819) 573-2070

Ontario

Fort Erie Peace Bridge Plaza 60 Walnut Street Fort Erie ON L1A 5N7

General Enquiries: (905) 994-6330

(905) 994-6331

Fort Frances

2nd floor 301 Scott Street

Fort Frances ON P9A 1H1

General Enquiries: (807) 274-3655

Hamilton

400 Grays Road North Hamilton ON L8E 3J6

General Enquiries: (905) 308-8715

Kingston

2nd floor 294 King Street East Kingston ON K7L 3B2

General Enquiries: (613) 545-8477

Mississauga

1695 Drew Road Mississauga ON L5S 1X6

General Enquiries: (905) 612-6532

Ottawa

1st floor

2265 St. Laurent Blvd.

Ottawa ON K1G 4K3

General Enquiries: (613) 993-0534

Sarnia

P.O. Box 640

Sarnia ON N7T 7J7

General Enquiries: (519) 257-6400

Sault Ste. Marie

Suite 101

369 Queen Street East

Sault Ste. Marie ON P6A 1Z4

General Enquiries: (705) 941-3050

Thunder Bay

1st floor

201 North May Street

Thunder Bay ON P7C 3P4

General Enquiries: (807) 626-1603

Toronto

2nd floor, East Wing

36 Adelaide Street East

Toronto ON M5W 1J7

General Enquiries: (416) 973-7577

Pearson International Airport

P.O. Box 40

Cargo Building B

Toronto AMF ON L5P 1A2

General Enquiries: (905) 612-7937

Windsor

P.O. Box 1655

5th floor

185 Ouellette Avenue

Windsor ON N9A 7G7

General Enquiries: (519) 257-6400

Manitoba

Emerson

General Delivery

Emerson MB R0A 0L0

General Enquiries: (204) 373-2352

Winnipeg

145 McDermot Avenue

Winnipeg MB R3B 0R9

General Enquiries: (204) 983-3770

Saskatchewan

North Portal

General Delivery

North Portal SK S0C 1W0

General Enquiries: (306) 927-5511

Alberta

Calgary

Bay 32

3033-34th Avenue Northeast

Calgary AB T1Y 6X2

General Enquiries: (403) 292-8750

Coutts

P.O. Box 220

Coutts AB T0K 0N0

General Enquiries: (403) 292-8750

British Columbia

Penticton

Penticton Airport

S30, C14, RR 2

Penticton BC V2A 6J7

General Enquiries: (250) 770-4464

Richmond

Vancouver International Airport

International Terminal Building

Room C2375.3A, Level 2

3211 Gran McConachie Way

Richmond BC V7B 1K6

General Enquiries: (604) 666-1802

Vancouver International Airport

Air Cargo

113-5000 Miller Road

Richmond'BC V7B 1K6

General Enquiries: (604) 666-1803

Surrey

26-176th Street

Surrey BC V4P 1M7

General Enquiries: (604) 538-3600

Vancouver

Main floor, 333 Dunsmuir Street

Vancouver BC V6B 5R4

General Enquiries: (604) 666-0545

Victoria

107-816 Government Street

Victoria BC V8W 1X1

General Enquiries: (250) 363-3531

Appendix E – Trade administration services offices

Ithough this is a listing of main offices, Revenue Canada also has many local offices. You can find their addresses and telephone numbers listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Nova Scotia

Halifax

P.O. Box 3080 Station Parklane Centre 1557 Hollis Street Halifax NS B3J 3G6

General Enquiries: (902) 426-2911

Québec

Montréal

400 Place d'Youville Montréal OC H2Y 2C2

General Enquiries: (514) 283-9900

Ouébec

P.O. Box 2267 130 Dalhousie Street Québec QC G1K 7P6 General Enquiries: (418) 648-4445

Ontario

Hamilton

400 Grays Road North Hamilton ON L8E 3J6

General Enquiries: (905) 308-8715

London

P.O. Box 5940, Station A 10th floor 451 Talbot Street London ON N6A 4T9 General Enquiries: (519) 645-5843

Ottawa

11th floor 333 Laurier Avenue West Ottawa ON K1A 0L9 General Enquiries: (613) 991-0537

Toronto

2nd floor, East Wing 36 Adelaide Street East Toronto ON M5W 1J7 General Enquiries: (416) 973-6413

Windsor

P.O. Box 1655 208 Edinborough Windsor ON N9A 7G7 General Enquiries: (519) 257-6400

Manitoba

Winnipeg 269 Main Street Winnipeg MB R3C 1B3

General Enquiries: (204) 983-6004

Alberta

Calgary

Suite 300, 220 4th Avenue Southeast Calgary AB T2G 0L1 General Enquiries: (403) 292-8750

British Columbia

Vancouver

Suite 503, 333 Dunsmuir Street Vancouver BC V6B 5R4 General Enquiries: (604) 666-0545

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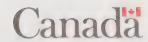
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Think recycling!



Printed in Canada



Revenue Canada Our Programs and Services



Please note

Information in this publication is up to date as of October 1998.

This document uses plain language to give readers an overview of Revenue Canada services. It is provided for information purposes only and does not replace the law.

Visually impaired persons can get information on services available to them, and can order publications in braille or larg print, or on audio cassette or computer diskette, by calling 1-800-267-1267 weekdays from 8:15 a.m. to 5:00 p.m. (Eastern Time).

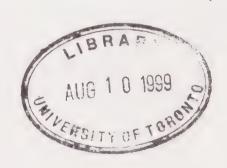
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Lifelong learning plan (LLP)

Under proposed changes, starting in 1999, eligible individuals will be able to withdraw up to \$10,000 a year from their RRSPs to finance full-time training or education in a qualifying educational program for themselves or their spouses. These withdrawals, which have to be repaid, will not be taxable as long as participants meet certain conditions. Individuals can withdraw a maximum of \$20,000 over a four-year period and can spread the repayment over 10 years. For details, pick up a copy of *The Lifelong Learning Plan (LLP)* at any of the tax services offices listed in Appendix A.

Registered Education Savings Plan (RESP)

Several changes to RESPs were announced in the 1998 federal budget. For details about income tax changes that affect RESPs, ask for the information sheet called *Registered Education Savings Plans (RESPs)* at any Revenue Canada tax services office. For information about the Canada Education Savings Grant, call Human Resources Development Canada, toll free at 1-888-276-3624.

Revenue Canada and the Year 2000

On January 1, 2000, many computers, including computer-based systems and equipment, may stop working, malfunction, or reprogram themselves. This could result in the Year 2000 problem, the interruption of critical services and permanent loss of information.

At Revenue Canada, we have been preparing for Year 2000 since 1988 by running entire computer systems in test laboratories with dates set in the next century. We plan to finish converting and testing most systems by the end of 1998. We will be addressing any problems arising from the testing, as well as any incomplete aspects of conversion or testing, during 1999.

Year 2000 Checklist

The Canadian Federation of Independent Business developed a *Year 2000 Technology Checklist for Small Businesses*. They suggest that businesses:

- assign a senior person to take on the Year 2000 issue;
- conduct an inventory of hardware, software, and all other equipment that may use computer technology;
- assess each system for potential Year 2000 problems and determine which electronic systems are affected;
- determine which systems are essential to day-to-day operations, and where systems are linked to, or dependent on, outside systems;
- correct or replace systems;
- test the corrected systems thoroughly;
- assess the impact domestic and foreign suppliers, customers, and service providers may have on the business, and be ready to provide information on Year 2000 readiness;
- develop a contingency plan; and
- consider the possible legal implications.

These steps are guidelines only. Every business will face a different set of Year 2000 issues and may want to consult an information technology professional for advice.

Year 2000 solutions and support are also available within the business community. Many larger businesses may be able to share knowledge, experience, and resources to help others prepare for the Year 2000.

Tax relief to small business for Year 2000 compliance

In June 1998, the Minister of Finance announced tax relief for small- and medium-sized businesses to address the Year 2000 computer compliance problem. Under this tax relief, accelerated capital cost allowance (CCA) deductions of up to \$50,000 will be provided to qualifying businesses for the purchase of computer hardware and software to replace systems that are not Year 2000-compliant. Specifically, the CCA deduction will be provided on the cost of computer equipment acquired between January 1, 1998, and June 30, 1999. This means that smaller firms may be able to deduct up to 100% of eligible expenditures in the year they are made. For more details, visit the Department of Finance web site at: www.fin.gc.ca/newse98/98-057e.html

Year 2000 as a business expense

Year 2000 expenditures may be capital or income expenses, depending on the nature of the expenditure and the resulting benefit to the business.

If a software program is only restored to its original working condition so that it performs the same applications, but is free of Year 2000 problems, then it is considered a current



expense. However, if the expenditure impro or enhances the software, then this could be considered a capital expense.

We can provide guidance on the tax treatme of Year 2000 costs for clients who are not sur which category their expenses fall into. For more information, consult our *Income Tax Technical News*, Issue No. 12 (available on ou web site at: www.rc.gc.ca/E/pub/tp/tn012et//Interpretation Bulletin IT-128, Capital Cost Allowance – Depreciable Property, or contact the Business Enquiries section of the nearest tax services office.

Information and resources

For more information on the Year 2000, call toll-free Year 2000 information line at: 1-800-270-8220.

The following web sites have information on the Year 2000 that may help businesses ident problems and locate service providers to get advice:

Task Force Year 2000 – Industry Canada strategis.ic.gc.ca/sos2000/

Treasury Board/CIO – Year 2000 Project Off www.info2000.gc.ca

Revenue Canada – Year 2000 web page www.rc.gc.ca/y2k/

preword

A t Revenue Canada, we serve millions of Canadians each year. We have a diverse clientele which includes individual and business taxpayers, goods and services tax/harmonized sales tax (GST/HST) registrants, travellers, importers, exporters and their agents, charities, non-profit organizations, and the general public.

Canadians have the right to expect quality service, and are entitled to be served in the official language of their choice. Whether clients are filing a tax return, claiming a credit or rebate, clearing customs, importing or exporting goods, or collecting and remitting GST/HST, we are committed to providing the best possible service at an affordable cost.

Providing quality service means doing our best to help clients meet their obligations and receive their due entitlements. We are dedicated to helping our clients exercise their rights and meet their obligations with ease. We are also committed to enforcing the laws and regulations for which we are responsible. We believe that, by doing this, we maintain public confidence in the integrity of our administration and Government institutions. Canadians expect and deserve no less.

Our proposed move to Agency status will allow us even more flexibility to continually improve service to Canadian travellers, businesses, and taxpayers.

At Revenue Canada, we want to hear from our clients. Those wishing to offer their views or suggestions can write to:

Communications Branch Revenue Canada Ottawa ON K1A 0L5

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bout Revenue Canada

The Department's mandate

At Revenue Canada, our responsibilities include:

- revenue collection;
- trade administration;
- customs border services; and
- various social and economic payments.

We work on behalf of the federal, provincial, and territorial governments as well as individuals and businesses to support Canada's social and economic progress.

We oversee various tax credit programs and collect federal and some provincial income taxes, goods and services tax (GST), harmonized sales tax (HST), Canada Pension Plan contributions, Employment Insurance premiums, and customs and excise duties. As well, we collect excise taxes and, for provinces with agreements with the federal government, we collect provincial sales tax, tobacco taxes, liquor markups, and levies on non-commercial imports.

We also administer the border and trade aspects of the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) Agreement, as well as Canada's international tax agreements with other countries.

Finally, we work in partnership with law enforcement agencies and other federal departments to protect Canadians and society as a whole by preventing illegal and dangerous goods and inadmissible people from entering Canada, and monitoring the movement of controlled and regulated goods.

We continually strive to deliver our programs and services effectively, fairly, and efficiently. Our goals are to:

- provide accessible, responsive, and reliable services at an affordable cost;
- deliver fair, responsible, and effective enforcement programs in a manner that directly responds to changes in the environment;
- minimize the administrative cost and compliance burden on clients through the streamlining and simplifying of our legislation, programs, and operations;
- apply the principles of fairness diligently and consistently in all departmental programs;
- ensure that the people at Revenue Canada have the knowledge, skills, and support needed to work effectively in an environment that promotes and recognizes exemplary performance; and
- provide effective support for our programs and initiatives through responsive, modern, and integrated corporate policies, systems, and processes.

Note

At Revenue Canada, we are responsible for developing and administering customs legislation. Although we administer tax legislation, the Department of Finance is responsible for developing tax policy and for the wording of the legislation.

Fairness provisions

On occasion, extraordinary circumstances beyond clients' control prevent them from complying with legal requirements to pay income tax, goods and services tax, harmonized sales tax, and customs duties and taxes. Fairness provisions allow for the discretionary cancellation, reduction, or waiver of penalties and interest that we have assessed. These provisions provide us with a proper basis for exercising discretion when applying such charges would be unreasonable or unfair.

The provisions also allow us to issue income tax refunds to individuals and testamentary trusts for 1985 and later tax years, or to apply the refund to amounts owing. Previously, clients had to make claims within three years of the end of the tax year concerned. Clients may also ask us to adjust 1985 or later returns to create a refund, or to reduce an amount owing. As long as the adjustment is allowable, we will normally process these requests.

Clients can also, in specific circumstances, make a late or amended election (or choice), or revoke an original election.

The fairness provisions allow us to help clients resolve problems that arise through no fault of their own. They also allow for a common-sense approach in dealing with clients who, because of personal misfortune or circumstances beyond their control, are unable to comply with the legislation we administer.

Examples of circumstances beyond a client's control include:

- natural or human-made disasters, such as flood or fire;
- civil disturbance or disruptions in services, such as a postal strike;
- serious illness or accident; or
- serious emotional or mental distress, such as the death of an immediate family member.

Clients should address requests involving these provisions to their tax services offices. Addresses and telephone numbers appear in Appendix A, on our Internet site (www.rc.gc.ca), and are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Fiscal responsibility

At Revenue Canada, we advance the Government's broader economic and social agenda, by helping to maintain the integrity of the Government's resource base and ensuring that all Canadians pay their fair share of tax. Our comprehensive compliance strategy includes initiatives to combat the underground economy, improve our audit function, and enhance our anti-smuggling initiatives.

We develop compliance strategies on sectoral, industrial, occupational, and geographic bases and they include verification, service, and enforcement activities. These strategies help identify compliance problems, and combine information and education to reduce the cost occupilance, clarify the law, and suggest legislative changes.

Through our integrated collections strategy, w continue to identify opportunities to re-engineer the collections function and strengthen our administration of the fairness provisions.

Our commitment to fiscal responsibility balances effective enforcement actions with respect for the rights of the individual. This means informing our clients of their obligation under the law, providing them with information and opportunities to comply voluntarily, encouraging self-assessment, and taking selective enforcement action in a fair, responsible, and professional manner.

Privacy and confidentiality

At Revenue Canada, we take steps to ensure that clients' personal and financial information is kept confidential. We cannot give this information to anyone outside the Department unless authorized by either the client or the law.

To ensure that clients' personal information remains confidential and is not released to unauthorized people, we require written authorization before we provide information to tax practitioners and other representatives, including Members of Parliament.

Business clients must complete Form RC59, Business Consent Form, to authorize us to provide information to a third party (e.g., accountant). Clients have to complete a separate Form RC59 for each designated representative being authorized, or to cancel a previous authorization. Individual clients have to submit a completed Form T1013, Individual Consent Form, before we will release confidential income tax information.

Clients can also use a letter of authorization to designate a representative as long as the letter contains the same information required in the previously mentioned forms.

Access to information and privacy

In keeping with our principles of protecting the privacy of client information, the Access to Information and Privacy Division of the Corporate Affairs Branch is responsible for administering the *Access to Information and Privacy Act* in Revenue Canada.

This division responds to requests for information contained in departmental files identified in the Treasury Board Secretariat publication *Infosource*. *Infosource*, which is available in public libraries, departmental public reading rooms, and on the Internet, is a catalogue of government organizations subject to the *Access to Information and Privacy Act*. It describes the organizations and their programs and gives details of their record holdings and personal information banks.

Rights of the taxpayer

We consider it a priority to ensure that all individuals understand and honour their obligations, and that our clients receive all their entitlements.

Declaration of Taxpayer Rights

The self-assessment system works only if clients have full and timely information about the law, if they are treated fairly and courteously, and if the information they provide about their affairs is held in confidence.

We were the first modern income tax administration in the world to formally proclaim the rights of taxpaying Canadians in a *Declaration of Taxpayer Rights*.

The declaration consolidates certain rights found in the *Charter of Rights and Freedoms*, in statutes, and in common law. It summarizes our commitment to treating clients fairly, courteously, and with respect for their rights.

Double taxation issues

Sometimes Canadian residents, whether individuals or corporations, as well as non-residents subject to Canadian tax, find their income taxed by both Canada and the tax authority of another country.

Canada has tax treaties with more than 50 countries. One of the main purposes of these treaties is to avoid double taxation. To resolve double taxation with countries with which Canada has a treaty, clients can request competent-authority consideration from Revenue Canada's International Tax Directorate, 2nd floor, Tower C, 25 McArthur Avenue, Ottawa ON K1A 0L5.

In most cases, the competent authorities of the two countries use this process to reach an agreement to avoid double taxation. Clients should note that this process is separate from any right of appeal they have under the domestic legislation of either Canada or the other country.

If difficulties or doubts arise in interpreting or applying a particular treaty, clients should consult Revenue Canada's Policy and Legislation Branch, 10th floor, 123 Slater Street, Ottawa ON K1A 0L5.

Rights of the traveller and the importer

We want the experience of returning to Canada from abroad to be as pleasant as possible for the travelling public. We also try to move imported goods into Canada as quickly and easily as possible. We serve approximately 110 million travellers and process over 11 million

commercial entries a year and, for the most part, duties and taxes on these transactions are dispute-free.

If clients encounter difficulties with the customs process, they should speak to the supervisor on duty who, in many cases, can resolve their concerns immediately.

However, from time to time, travellers or importers disagree with decisions we make. In these cases, the *Customs Act* provides for administrative and judicial reviews of those decisions. If clients have a reason to dispute a decision on the duties and taxes they paid, they can contact the customs office where the goods were accounted for. Consultations with the customs office often resolve the issue quickly and at no cost. If the initial consultation is not satisfactory, customs staff can inform travellers and importers about the appeal process.

Voluntary compliance

We have designed programs and services to encourage voluntary compliance—the cornerstone of Canada's self-assessment system. We combine education and service to the public with a comprehensive program of responsible enforcement to maintain public confidence in the integrity of the system.

We encourage voluntary compliance by:

- providing information and help to clients to ensure they understand their rights and obligations, and are able to comply with the law;
- consulting continually with the private sector, individuals, and organizations on ways to streamline procedures to make compliance as simple as possible;

- identifying areas of non-compliance to ensure that everyone, including non-residents, pays a fair share of tax; and
- recommending legislative changes to support the Government's commitment to ensuring the fairness of the tax system for everyone.

Voluntary disclosure

In addition, we encourage taxpayers to voluntarily correct any omissions in their past dealings with us. People who have never filed, or who have stopped filing, income tax returns or registrants who have never filed, or who stopped filing, GST/HST returns, can file these returns voluntarily. As well, clients who sent incomplete returns can provide the missing information. Canadians who move goods internationally can come forward and correct any deficiencies in their reports to customs.

Clients making voluntary disclosures will only have to pay what they owe plus interest. We will not prosecute or impose any other civil penalties, as long as the client discloses the information before we begin an audit, investigation, collection, or other enforcement action, including a request to file a return.

When a client cannot pay the balance owing in full, we will try to work out a mutually satisfactory payment arrangement, based on the client's ability to pay.

We encourage clients with financial hardship to contact their Revenue Canada offices to make payment arrangements or discuss changes to existing arrangements.

hapter 1 – General programs and services

Revenue Canada offices

Clients can get information, pick up publications, make payments, get forms, and conduct other types of business at most Revenue Canada offices across the country. As well, some of these services are available at Government of Canada InfoCentres. Details on the services provided by InfoCentres are on page 15.

For specific information about particular programs, clients should contact the specialized tax centre, customs border services, tax services, or trade administration services offices. Offices are listed in Appendices A, B, and C, as well as on our Internet site at: www.rc.gc.ca

The telephone numbers for these offices are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Business windows

Certain of our offices offer a special one-stop service, called the business window, where businesses can use their Business Number for any transactions with us. See page 31 for details on business windows and the Business Number.

Customs border services and trade administration services offices

Clients can get customs forms, departmental publications, and information on importing and exporting goods from any customs border services or trade administration services office across Canada.

Employees in these offices handle enquiries and offer assistance on tariff classification, customs duty rates, accounting documentation, assessing the value of imported goods, methods of payment, import quotas and permits, customs assessments, refunds, duties relief, and appeals of customs seizures.

Generally, we release goods only during regular business hours, Monday to Friday. However, some offices provide commercial services seven days a week, from 8:00 a.m. to

midnight (local time). Others provide these services 24 hours a day, and clients using electronic data interchange (EDI) can carry out transactions outside regular business hours. Clients can get more information on hours of service from their local office.

Clients can enquire in writing, by phone, or in person at any customs border services or trade administration services office. Addresses and telephone numbers for these offices are listed in Appendices B and C.

International Tax Services Office

The International Tax Services Office, located in Ottawa, serves the special needs of clients filing income tax or information returns as non-residents. This office also serves individuals who are factual residents, deemed residents, newcomers to Canada, and emigrants. Factual and deemed residents are people who live outside of Canada, but are considered residents for income tax purposes.

Staff members at the International Tax Services Office process non-resident corporate, trust, and individual tax returns, including returns filed by non-resident pensioners. They answer telephone, counter, and written enquiries; process requests for adjustments; and maintain accounts of individuals and institutions that issue payments to non-residents of Canada.

Non-resident clients can reach the International Tax Services Office by calling:

*			
Ottawa area	(613)	952-3	741
Other parts of Canada			
and the U.S	1-800-	267-5	177
Outside Canada and the U.S.			
(collect calls accepted)	(613)	952- 3	741

Non residents can also find information on our International web page at: www.rc.gc.ca/international/

Tax centres

Our tax centres located across the country, process, validate, and store individual, corporate, and trust tax returns.

Tax centre staff members offer a complete range of client services similar to those at tax services offices, and provide support for processing large volumes of both electronic and paper information. They also process individual, corporate, and employee remittances and are involved in supporting and delivering federal and provincial social benefit programs.

In partnership with Agriculture and Agri-Food Canada, the Winnipeg site processes the Net Income Stabilization Account applications that farmers file with their income tax returns.

Additionally, the Summerside Tax Centre in Summerside, P.E.I. processes GST/HST returns as well as requests for refunds under the Visitor Rebate Program (see page 29 for details). By December 1999, all our tax centres will be processing GST/HST returns.

Tax services offices

Tax services offices provide information on the filing and status of income tax and GST/HST returns and refunds, explain assessment notices, answer tax questions, and handle GST/HST credit and Canada Child Tax Benefit enquiries.

At these offices, clients can also get the forms and publications they need to complete their income tax returns, as well as GST/HST forms, publications, and information. At most offices, they can also pay any form of Revenue Canada remittance for processing to their accounts.

Technical interpretation services centres are located in some of our larger tax services offices. These centres provide rulings and interpretations as well as other technical information on GST/HST, excise taxes, and special levies. Excise duty information, forms, and publications are available at offices with an excise duty unit. Tax services offices with technical interpretation services centres and excise duty units are identified in Appendix A.

Clients can enquire in writing, in person, or by phone at tax services offices. Appendix A lists the addresses and phone numbers of tax services offices across the country. The number are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Except to get information on GST/HST, clients in Quebec can contact a tax services office for assistance. For information on GST/HST, clients should contact an office of the ministère du Revenu du Québec.

Telephone and counter enquiries

Clients receive the telephone numbers of their tax services offices, a separate Problem Resolution Program phone number, and the general and Tax Information Phone Service (T.I.P.S.) enquiries lines with the income tax package we mail them each year. These phone numbers, also listed under "Revenue Canada" in the Government of Canada section of the telephone book, make it easier for clients to contact staff for help.

All correspondence from tax services offices includes telephone and fax numbers. This allows a client to directly contact the person who is dealing with the account to get more information, if necessary.

The tax services offices (listed in Appendix A) handle telephone enquiries and offer counter service to clients, in both official languages. Ou telephone lines are open from 8:15 a.m. to 5:00 p.m. Monday to Friday. Counter service is available at all our tax services offices from 8:15 a.m. to 4:30 p.m., Monday to Friday. Client services counters in some offices are open until 5:00 p.m. Clients should ask their local tax services office about counter service hours.

During income tax-filing season, we offer extended hours for both our telephone enquiry lines and our counter service. See page 26 for more information on our filing season services.

General programs and services Publications

We provide a wide range of information to millions of clients through the various forms and guides we publish. We review these forms and guides every year and update them as necessary. Clients can order many of our publications and forms through our on-line Internet service (www.rc.gc.ca/forms/). See page 17 for details.

Customs publications

We produce publications on customs services for both travellers and commercial clients. These publications are available free of charge from our customs border services and trade administration services offices listed in Appendices B and C.

In addition to these general guides and pamphlets, we also produce technical memoranda and bulletins, as well as advance rulings under the National Customs Rulings Program (see page 51 for details). Technical D memoranda can be ordered through Canada Communication Group (CCG) Inc. for an annual subscription fee. Clients should address their subscription requests to:

Publishing Division Canada Communication Group Inc. Ottawa ON K1A 0S9

Clients can reach CCG Inc. by phone at **(819)** 956-4800 or toll free at **1-800-565-7757**. They can also fax requests to **(819)** 994-1498.

GST/HST publications

Publications on GST/HST range from general pamphlets and guides to detailed technical memoranda and bulletins. We also send a quarterly newsletter (GST/HST News) to all GST/HST registrants outside Quebec. (The ministère du Revenu du Québec provides equivalent information for Quebec registrants.) All these publications are free.

We offer a complimentary subscription service to tax professionals who want to receive GST/HST technical memoranda and bulletins regularly. These are available from any of the tax services offices listed in Appendix A.

Income tax publications

An important source of income tax information is the income tax guide that accompanies each tax return. We also publish other guides to meet the needs of specific groups of clients.

In addition, we offer a wide variety of general and technical publications to help clients understand the tax system. Individual copies of information circulars, interpretation bulletins, published tax rulings, and the *Income Tax Technical News* are available free of charge from all tax services offices and tax centres.

We also release an annual publication called *Tax Statistics on Individuals*, which provides analytical summaries of information found on individual tax returns. This data is also available on our web page at: www.rc.gc.ca/pts/

On request, and for a fee, the Statistical Services Division also provides special tabulations based on clients' specific needs. For other statistical income tax data, clients can call (613) 957-7387 or fax the Statistical Services Division at (613) 941-6778.

Services for clients with disabilities

We provide special services for clients who are blind or visually impaired, or those who are deaf, hard of hearing, or have speech impairments. Publications and forms of special interest to our clients with disabilities are also available on the Internet at: www.rc.gc.ca/disability/

Clients who are blind or visually impaired

To ensure that everyone has equal access to information, we provide documents in alternative formats: braille, large print, audio cassette, and computer diskettes that can be used with voice synthesizers.

Income tax returns, schedules, guides, supplementary guides, pamphlets, and other common documents are readily available in all four alternative formats. We provide all other publications, notices, and correspondence in alternative format on request.

Clients can also complete and file their income tax returns using braille, large print, or computer diskette. Although we cannot accept correspondence on audio cassette, we can provide information in this format.

While we do not usually complete tax returns for clients, when asked, we will help individuals with disabilities complete their returns. Whenever possible, we refer clients to the Community Volunteer Income Tax Program. See page 24 for more information on this program.

To order information in alternative formats, clients can call **1-800-267-1267**. This toll-free, bilingual, alternative-format information line operates weekdays between 8:15 a.m. and 5:00 p.m. Eastern Time.

We place clients who order alternative-format documents relating to income tax and GST/HST on our mailing list, and contact them regularly to determine their needs.

Clients who are deaf or hard of hearing and clients who have speech impairments

Clients who use a Teletypewriter (TTY) can call our general enquiries TTY line, toll free, at **1-800-665-0354**. A TTY transmits typewritten messages over a telephone line.

Bilingual TTY service is available year round, Monday to Friday (except on statutory holidays). In Alberta, British Columbia, the Northwest Territories, and the Yukon Territory, clients can call between 8:15 a.m. and 5:00 p.m. Central Time. In Newfoundland, clients can call between 8:15 a.m. and 5:00 p.m. Atlantic Time. In all other locations, clients can call between 8:15 a.m. and 5:00 p.m. local time. This service is also available in the evening, Monday to Thursday, from mid-February to the end of April.

A client who is deaf or hard of hearing can also use an operator-assisted relay service to contact us through our regular enquiry lines. The operator acts as a link by typing as the enquiries agent speaks, so that the words appear on the caller's TTY.

When notified in advance, we can have a sign language interpreter at an interview or meeting

Help may also be available through our Community Volunteer Income Tax Program. See page 24 for more information on this program.

Small business information seminars

We offer free seminars to inform new or prospective businesses about "need-to-know" information on their rights and obligations under customs, excise, GST/HST, and income tax legislation, and about the services and help available to them. For more information on these seminars, see page 36.

Objections and appeals

Our Appeals Branch deals with disputes arisin from assessments or determinations under the *Income Tax Act*, the *Excise Tax Act* (GST/HST), and the *Customs Act*, as well as rulings issued under the *Canada Pension Plan* and the *Employment Insurance Act*.

An appeals web page is currently under development and will be available at: www.rc.gc.ca/appeals/

Canada Pension Plan and Employment Insurance

At Revenue Canada, we administer the coverage provisions of the *Employment Insurance Act* and *Canada Pension Plan* (CPP) programs. This involves deciding which employment is insurable or pensionable, and collecting the payments that finance the two programs.

We do not decide who should get Employment Insurance (EI) or CPP benefits. That is the responsibility of Human Resources Development Canada. However, since we establish which employment is covered under the two programs, our decisions can affect an individual's right to benefits.

An employer or any other person affected by a ruling or assessment we made at an earlier stage can ask the Appeals Branch for a final decision. Then a CPP/EI appeals officer conducts an impartial review, which includes contacting all parties involved.

If a person affected by a decision disagrees with it, that person can then appeal the decision to the Tax Court of Canada under the informal procedure. A Tax Court of Canada judgement is usually final and conclusive. However, a person can take a decision to the Federal Court of Appeal for a judicial review, and even to the Supreme Court of Canada with that court's permission.

Customs seizures and forfeitures

When travellers or commercial importers do not report goods, or report goods falsely to customs, the *Customs Act* allows us to seize the goods. In cases where the goods have already been consumed domestically or cannot be found, we can assess an amount of money in lieu of a seizure.

Clients can ask our Adjudications Division to review an action taken in these situations up to 30 days after the date of the seizure or the service of notice (assessment in lieu of seizure). If clients do not ask for a review of the seizure or assessment within this time, their claims will be legally disqualified.

During the review, an adjudicator thoroughly reviews the facts of the case and the client's representations before recommending a final decision. The adjudicator evaluates the legality of the seizure, ensures the terms of the assessment are in keeping with departmental policy, and considers all mitigating factors.

The Adjudications Division then decides on the case on behalf of the Minister. The division also informs the client whether we will uphold or overturn the seizure or assessment, and

whether we will maintain, eliminate, or reduce the amount of the assessment. Once we issue a decision, we have no further authority to review the case.

If clients do not agree with our decision, they can appeal it to the Federal Court – Trial Division within 90 days of the date of the decision.

Clients must submit all requests for a review in writing to the customs office where the seizure took place, or to the following address:

Adjudications Division Appeals Branch Revenue Canada Ottawa ON K1A 0L5 Tel.: (613) 954-7274

Income tax and GST/HST

When differences arise between our clients and us, the *Income Tax Act* gives taxfilers the right to object. The *Declaration of Taxpayer Rights* affirms this right. Also, the *Excise Tax Act* gives registrants and claimants the right to object when differences over GST/HST arise.

To support these rights, we have instituted a straightforward objection and appeal process for clients who want to contest their assessments.

Step 1

Taxfilers or registrants who do not understand their assessments, or who disagree with an assessment or reassessment notice, or a determination or redetermination notice, should first contact their tax services offices. They can do so by telephone, in writing, or in person. A departmental representative will explain the notice.

Since most concerns result from misunderstandings about such things as the explanations we gave concerning an assessment, clients usually receive satisfactory answers from these offices and avoid using the objection process. A large number of cases are resolved in this way.

Step 2

If clients are not satisfied after discussions with their tax services offices, they can file objections. An appeals officer will contact the client to discuss the issues and conduct an impartial review of the case. Appeals officers make sure that clients understand the basis of their assessments and will offer to provide them with copies of documents that support the disputed items.

Except for large corporations, from which we collect 50% of the disputed amount immediately, we will usually postpone collection of the income tax in dispute until 90 days after we mail the decision. However, we may begin collection on a GST/HST assessment before we issue a decision on the objection.

Step 3

If clients are still not satisfied, they can appeal to the Tax Court of Canada. The court hears appeals under two distinct procedures: the informal and the general procedures. Each procedure has specific advantages as well as restrictions and rules. Clients can choose the procedure most appropriate for their cases.

Other options

Both the client and us have the right to take the Tax Court's decision to the Federal Court of Appeal. The appeal court's ruling, in turn, can be challenged through the Supreme Court of Canada, with that court's permission.

Origin, tariff classification, and value for duty

Importers who disagree with decisions concerning the origin, tariff classification, or value for duty of imported goods can ask for a review of the decision by filing a notice of dispute. This notice has to include a full explanation of why the decision is being disputed and must be filed within 90 days of the decision notice.

An appeals officer will conduct an impartial review of the case and issue a decision on behalf of the Deputy Minister.

Importers who are not satisfied with this decision can, in most cases, appeal to the Canadian International Trade Tribunal (CITT) CITT decisions can be appealed to the Federal Court of Appeal.

Other taxes

The Appeals Branch also deals with outstanding issues on the former federal sales tax, transitional rebates, and the former *Softwood Lumber Products Export Charge Act*, as well as with disputes on general excise taxes and the air transportation tax.

Clients who want to contest an assessment or determination of these taxes or charges can follow the process outlined for income tax and GST/HST, with one exception. Clients who are still not satisfied after receiving a decision on their objection can appeal the assessment or determination to the Canadian International Trade Tribunal (CITT), whose decision can be challenged in the Federal Court – Trial Division. Clients also have the option of appealing directly to the Federal Court – Trial Division without a prior appeal to the CITT.

Finally, they can appeal judgements of the Trial Division to the Federal Court of Appeal, and from there they can challenge the judgements through the Supreme Court of Canada, with that court's permission.

Government of Canada offices Canada Business Service Centres

Revenue Canada is an active partner in the Canada Business Service Centre initiative, designed to help business clients through a single point of contact. These centres offer businesses access to information about the programs and services of various federal departments, including Revenue Canada and Industry Canada, and economic development agencies such as the Atlantic Canada Opportunities Agency, Western Economic

Diversification Canada, and Canada Economic Development for Quebec Regions. Other partners include provincial and non-government agencies.

Ten Canada Business Service Centres operate across the country. They are in Charlottetown, Edmonton, Fredericton, Halifax, Montréal, Saskatoon, St. John's, Toronto, Vancouver, and Winnipeg.

Government of Canada InfoCentres

Revenue Canada is working with other federal government departments and agencies to improve service to Canadians in smaller communities, by offering a variety of Government information and services in a single location. These sites are called Government of Canada InfoCentres, and are usually located in Human Resources Centres of Canada.

Chapter 2 – Electronic programs and services

Automated information systems Automated Customs Information Service (ACIS)

The Automated Customs Information Service (ACIS) is a computer-based system that automatically answers incoming telephone enquiries and provides recorded information on a wide variety of customs-related topics. Callers using ACIS during office hours can transfer their calls to a customs officer if they need more specific information. ACIS is available in both official languages 24 hours a day, and is accessible from both touch-tone and rotary dial telephones.

The system has information on personal imports and travellers' exemptions, commercial imports and exports, postal imports, CANPASS, trade agreements, and customs news and current events.

Clients can access ACIS in the following cities by calling these numbers:

Calgary	(403) 292-8750
Edmonton	(403) 495-3400
Halifax	(902) 426-2911
Hamilton	(905) 308-8715
Moncton	(506) 851-7020
Montréal	(514) 283-9900
Ottawa	(613) 993-0534
Québec	(418) 648-4445
Toronto	(416) 973-8022
Vancouver	(604) 666-0545
Windsor	(519) 257-6400
Winnipeg	(204) 983-6004

Clients can also call toll free from other locations in Canada by dialing **1-800-461-9999**.

Customs, excise, and GST/HST electronic information service

Through a toll-free number (1-800-267-5979), clients can reach our bulletin board and access the following types of information:

- D memoranda:
- B memoranda;
- tariff updates;

- customs notices:
- GST/HST questions and answers;
- news and announcements on GST/HST, as well as excise duties, excise taxes, and special levies;
- a directory of tax services offices; and
- a listing of prescribed rates of interest.

Clients need only a personal computer with a modem and communications software with the following setup:

- baud rate 28,800 (maximum)
- terminal ANSI BBS
- local echo off

Electronic Document Distribution System (EDDS)

Clients can get electronic copies of many of our forms and publications from the Electronic Document Distribution System (EDDS)—a bulletin board available through telecommunication lines.

EDDS has all of our income tax and benefit guides, forms, information circulars, interpretation bulletins, advance tax rulings, Income Tax Technical News, tables on diskette, and pamphlets; all news releases; excise duties and taxes forms, notices, circulars, and memoranda; some GST/HST publications and forms; and some customs publications and forms. Documents are often available on EDDS up to six weeks before we distribute printed copies. Clients with access to EDDS can then redistribute our forms and information electronically, or reformat the information for their own publications without having to rekey it. Copies of the draft versions of all income tax forms are available in August, so that software developers and other interested parties can prepare for the upcoming tax-filing season.

Access to EDDS is through The Net, a nation-wide public network operated by Mediatel, a Bell Canada subsidiary. For information on user fees and how to subscribe, clients can call Mediatel at 1-800-267-8480.

Interactive Voice Response (IVR) System

Our new IVR system helps us handle the high volume of enquiries in large urban areas. Clients in Montréal, Toronto, Vancouver, and surrounding areas have access to the IVR through their touch-tone telephones.

Clients can use the system to get general information, as well as information about the Canada Child Tax Benefit, the GST/HST credit, and income tax refunds.

The system is available 7 days a week, 24 hours a day. Callers using the IVR during regular business hours can transfer their calls to an agent if they need more information. Clients with rotary dial telephones can also use the system during regular business hours when an agent will be available to help them.

To ensure that personal information is kept confidential, clients who ask for specific personal information have to supply their social insurance numbers, dates of birth, and the amounts from line 150 on their income tax returns. Clients calling before May 1 will need the amounts they entered on line 150 of last year's returns. If they call after April 30, they will need the amounts they entered on line 150 of this year's returns.

Clients with access to the IVR system will find the telephone number included in their income tax packages.

Internet access

Since 1994, we have been making publications and forms available on the Internet. Our Internet address is: www.rc.gc.ca

Clients can access general information about the Department, and most of our publications, including interpretation bulletins; information circulars; guides; pamphlets; excise duties and taxes forms, notices, circulars, and memoranda; and income tax rulings. In addition, the Internet has on-line versions of most forms and news releases, a listing of our tax services offices, newsletters, and the interactive tables on diskette (TOD), which the public can download.

Clients can also order printed copies of our publications and forms through our on-line order service at www.rc.gc.ca/forms/

We also have numerous web pages designed for specific audiences:

Anti-dumping and Countervailing Directorate www.rc.gc.ca/sima/

- publications
- frequently asked questions
- Special Import Measures Act legislation and regulations
- selected D memoranda

Appeals www.rc.gc.ca/appeals/

currently under development

Canada Customs and Revenue Agency www.rc.gc.ca/agency/

 documents and publications relating to the creation of the proposed Canada Customs and Revenue Agency

Charities

www.rc.gc.ca/charities/

- general and technical publications
- forms
- charities newsletter

Contract payment reporting system www.rc.gc.ca/cprs/

discussion paper – request for comments

Corporate income tax redesign www.rc.gc.ca/t2return/

- frequently asked questions
- Corporate EFILE
- General Index of Financial Information (GIFI)

Disabilities

www.rc.gc.ca/disability/

- frequently asked questions
- publications
- m forms

EFILE

www.rc.gc.ca/efile/

- frequently asked questions
- publications and forms
- Electronic Filers Manual
- list of developers of certified EFILE software
- national EFILE transmitters
- EFILE program news and updates

Electronic commerce and Canada's tax administration www.rc.gc.ca/ecomm/

report of the Minister's Advisory
 Committee on Electronic Commerce

Family benefits

www.rc.gc.ca/cctb-gstc/ Canada Child Tax Benefit

- GST/HST credit
- Benefit Programs Report
- frequently asked questions

Flow-through share program www.rc.gc.ca/fts/

- what's new
- forms and guide

Forms ordering service www.rc.gc.ca/forms/

on-line form and publication order service

GST/HST electronic filing and remitting www.rc.gc.ca/gsthst-edi/

- frequently asked questions
- publications
- forms

International (non-residents) www.rc.gc.ca/international/

- frequently asked questions
- International Tax Services Office
- corporate tax information for non-residents
- GST/HST visitor tax rebate
- information for convention organizers
- tax and customs information for new and temporary residents, returning Canadians, and emigrants
- information on non-resident taxes
- CANPASS participants' guides

Job opportunities www.rc.gc.ca/job/

 career opportunities with our Information Technology Branch

Magnetic media filing www.rc.gc.ca/magmedia/

- frequently asked questions
- publications
- technical information

North American Trade Automation Prototype www.rc.gc.ca/natap/

- publications
- trade software package
- status update

Scientific research and experimental development www.rc.gc.ca/sred/

- general and technical publications
- forms
- regional news
- contact list

Tables on Diskette (TOD) www.rc.gc.ca/tod/

- frequently asked questions
- publications
- TOD for downloading

Tax statistics www.rc.gc.ca/pts/

individual income tax statistics

Teaching Taxes www.rc.gc.ca/teachtax/

- general information
- ordering information

TELEFILE

www.rc.gc.ca/telefile/

- general information
- frequently asked questions

Valuation Policy Division www.rc.gc.ca/valuation/

 draft for consultation –
 Memorandum D13-1-3, Purchaser in Canada Regulations

Virtual Customs Office www.rc.gc.ca/vco/

- import/export procedures
- Customs Tariff
- Customs Act
- exchange rates

Visitors to Canada www.rc.gc.ca/visitors/

- GST/HST tax refund for visitors
- information for convention organizers
- GST/HST information for non-resident tour operators

Year 2000 Project www.rc.gc.ca/y2k/

tax information relating to Year 2000

Youth

www.rc.gc.ca/youth/

- who we are and what we do
- how your tax dollars are spent
- filing your taxes
- Teaching Taxes program
- starting your own business
- young families
- travel tips for youth
- retirement savings for youth
- careers in Revenue Canada
- employment opportunities

To protect the confidentiality of our clients' personal information, we do not accept requests or questions through the Internet. For information, clients can contact their tax services offices. The addresses and telephone numbers are listed in Appendix A, and on our Internet site, as well as under "Revenue Canada" in the Government of Canada section of the telephone book.

Legislation Access Database (LAD)

LAD contains all material that the Income Tax Rulings and Interpretations Directorate has released under the *Access to Information and Privacy Act* since 1989. This includes technical interpretations, tax conference questions and answers, speeches, etc. It also contains edited (cleansed) advance income tax rulings issued after 1996. Clients can access LAD in the reading rooms of our tax services offices.

NAFTA electronic information service

This bulletin board can be accessed via modem by calling **1-800-267-5979**. For more details, see page 50.

Tax Information Phone Service (T.I.P.S.)

T.I.P.S. is a computerized, voice-response service. By using this service, clients can get information on selected tax topics, the status of their income tax refunds, their RRSP deduction limits, and whether they are eligible for the GST/HST credit. The number for T.I.P.S. is 1-800-267-6999.

Clients calling T.I.P.S. for personal tax information are asked for their social insurance numbers, months and years of birth, and the total income from line 150 of their income tax returns. If they call before May 1, they will need the amounts they entered on line 150 of last year's tax returns. If they call after April 30, they will need the amounts they entered on line 150 of this year's returns.

The following services are available on the T.I.P.S. menu:

Telerefund

T.I.P.S. (Telerefund) lets clients know if we have processed their current-year income tax returns, and when they can expect to receive their refund. When clients phone, they should be ready to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available from mid-February until the end of December.

■ GST/HST Credit

The T.I.P.S. (GST/HST credit) service tells clients if they are eligible for the GST/HST credit and the date they can expect to receive their payment. To get information, clients have to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available for three weeks before and two and one half weeks after we issue each GST/HST credit payment.

RRSP

The T.I.P.S. (RRSP) service lets clients know their RRSP deduction limits, which represent the amount of contributions they can deduct on their income tax returns. If applicable, it also lets clients know the amount of contributions they made in previous years that they have not deducted. To get their RRSP deduction limits, clients

will have to provide their social insurance numbers, their months and years of birth, and the total income they entered on line 150 of their income tax returns.

This service is available from mid-September until the end of April.

Clients can get Telerefund, GST/HST credit, and RRSP information:

 weekdays
 7:00 a.m. to 11:00 p.m.

 Saturdays
 8:00 a.m. to 4:00 p.m.

 Sundays
 8:00 a.m. to 1:00 p.m.

Bulletin Board

The bulletin board contains recent information that may be of interest to clients.

This service is available 24 hours a day, 7 days a week, year-round.

■ Info-Tax

Info-Tax gives recorded information on a number of tax topics to help clients file their income tax returns.

Info-Tax is available 24 hours a day, 7 days a week, from mid-January until June.

Business Information

Business Information gives recorded information to help people who currently operate, or are thinking of starting a business.

This service is available 24 hours a day, 7 days a week, year-round.

Client who access the Bulletin Board, Info-Tax or Business Information service do not need to provide identification information.

Virtual Customs Office (VCO)

The VCO provides information on customs topics like import/export procedures, the *Customs Act*, and exchange rates. For more details on the VCO, see page 55 or visit the VCO web page at: www.rc.gc.ca/vco/

Electronic data interchange programs

We have a number of electronic data interchange (EDI) programs that are making our operations more efficient, improving the quality and timeliness of our service to taxpayers, and saving money.

EDI means that businesses need less time to comply with regulations, and both us and our clients use less paper.

Other benefits include:

- timely updating of client accounts;
- faster processing;
- improved productivity; and
- better protection of the Canadian society and economy.

Business registration on-line

Clients can use this interactive workstation to apply for a Business Number and open various business accounts. See page 31 for details.

Customs commercial systems

The Department has a number of EDI systems to streamline the customs commercial process:

- Accelerated Commercial Release
 Operations Support System (ACROSS)
 allows importers and brokers to exchange
 cargo and release information with customs
 electronically before the goods arrive at the
 border.
- Canadian Automated Export Declaration (CAED) lets exporters report their exports electronically. The CAED software is free and there is no registration fee. Clients can download it from the Internet at: www.statcan.ca/english/exports/
- Casual Refund Electronic Data Interchange Transaction System (CREDITS) allows customs brokers to send electronic requests

- for refunds of duties and taxes on imported casual goods to a casual refund centre for processing.
- Commercial Cash Entry Processing System (CCEPS) lets clients complete their Form B3, Canada Customs Coding Form, at a computer workstation located in a customs office.
- Customs Automated Data Exchange (CADEX) System lets importers and brokers electronically send and receive customs transactions for accounting and entry.
- Customs Declaration (CUSDEC) Message is similar to CADEX but with a message that is an approved international standard.
- Release Notification System (RNS)
 electronically notifies importers, brokers,
 warehouse operators, and carriers of
 customs releases.

For more information on these EDI systems for customs, see the section called "Electronic data interchange (EDI)" on page 47.

Direct deposit program

Direct deposit has replaced cheques as the federal government's standard method of issuing payments. Direct deposit has a number of advantages over the traditional method of payment. It offers clients a safe, convenient, dependable, and time-saving way to receive payments, and saves the Government money through reduced fees and postage.

All individual taxfilers can have their income tax refunds, GST/HST credits, and Canada Child Tax Benefit payments (including any related provincial and territorial payments we administer), deposited directly to their bank accounts at any financial institution in Canada. Business clients can also have their income tax refunds and GST/HST refunds and rebates deposited directly.

Electronic filing of income tax returns

With the help of an approved EFILE service provider, taxpayers can use EFILE to file their personal tax returns electronically. EFILE saves paper and money and speeds up processing of returns. For more details, see page 24.

Starting in June 1999, businesses will be able to file their tax returns electronically using Corporate EFILE. See page 32 for more details.

Electronic tax payments

Financial institutions are now offering services that allow businesses and individuals to make various payments to us electronically. Through some financial institutions, businesses and individuals can pay tax bills by telephone and computer.

These services allow individuals to make payments such as quarterly instalments, or payments towards amounts owing, without writing a cheque or having to mail their payments to us. Businesses can use these services to send in their corporate instalments or payroll deductions. Clients can use most of these services 24 hours a day, 7 days a week, without leaving their residences or places of business.

Facsimile communications

Most of our offices across the country are accessible by fax. The numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book. Since confidentiality cannot be guaranteed, this fax process is only for non-sensitive general business correspondence, not for filing returns.

GST/HST electronic filing and remitting

Filing GST/HST returns and remitting GST/HST payments electronically saves businesses time and money as well as cutting paperwork and administrative costs. For more details, see page 33.

Magnetic-media filing

Businesses as well as service bureaus can use diskettes, tapes, or cartridges to file their year-end tax data such as T3, T4, T4A, T4A-NR T4RIF, T4RSP, T5, T5007, T5008, and NR4. See page 34 for more details.

Tables on diskette (TOD)

TOD is a computer program that automatically calculates payroll deductions, including income tax, Canada Pension Plan contributions, and Employment Insurance premiums. For more information on TOD, see page 37.

TELEFILE

TELEFILE is an automated service that allows certain clients to file their personal income tax returns using a touch-tone telephone. For more details, see page 29.

Chapter 3 – Tax programs and services

Individuals Canada Child Tax Benefit

The Canada Child Tax Benefit makes tax-free monthly payments to eligible individuals to help with the cost of raising children under the age of 18. Canada Child Tax Benefit payments are targeted according to income and are gradually phased out at higher income levels.

At Revenue Canada, we calculate the Canada Child Tax Benefit using information from income tax returns filed by the parent who is the child's primary caregiver, and the spouse, if any. Each July, we recalculate benefits to reflect the changes in family income reported on the most recent income tax returns.

Parents have to apply to us after the birth or adoption of a child to receive benefits. Parents also have to file income tax returns each year to continue receiving their benefits. They should complete the marital status area of their returns to ensure they receive the proper benefit amount.

Parents receiving the Canada Child Tax Benefit must also let us know if:

- they change their address;
- their marital status changes;
- they are no longer the primary caregiver for the child;
- they no longer live with the child;
- the child dies; or
- they or their spouse are no longer Canadian residents.

Individuals who have questions about the program or their own entitlement to benefits can call, toll free, 1-800-387-1193. Information is also available on our family benefits web page at: www.rc.gc.ca/cctb-gstc/

Related provincial and territorial benefit and credit programs

At Revenue Canada, we also administer the following programs on behalf of the sponsoring province or territory:

- Alberta Family Employment Tax Credit
- BC Earned Income Benefit
- BC Family Bonus
- New Brunswick Child Tax Benefit
- Northwest Territories Child Benefit
- Nova Scotia Child Benefit
- Saskatchewan Child Benefit

Clients don't need to apply separately to qualify for payments under these provincially/territorially-funded programs. We use the information from the Canada Child Tax Benefit application to establish eligibility, and calculate the payments based on information from clients' income tax returns.

Clients using the direct deposit service (see page 21 for details) for their Canada Child Tax Benefit payments will automatically have their related provincial/territorial payments deposited into the same account.

More information about the Alberta Family Employment Tax Credit is available by calling, toll free, 1-800-959-2809. Information on the other benefit and credit programs we administer is available toll free at 1-800-387-1193.

Children's Special Allowances Program

The Children's Special Allowances Program makes payments to approximately 250 federal and provincial agencies and institutions (e.g., children's aid societies and individual foster parents) that care for about 40,000 children. These payments replace ones that we would otherwise make to parents under the Canada Child Tax Benefit.

Community Volunteer Income Tax Program

During income tax-filing season, about 16,000 volunteers help more than 352,000 taxfilers prepare their income tax returns.

Through our tax services offices across the country, we provide training sessions for representatives of community organizations and other interested people on how to complete basic income tax returns.

Revenue Canada also runs a joint volunteer program with the ministère du Revenu du Québec, to make it easier for Quebec taxfilers to complete both their federal and provincial tax returns.

People who want to become volunteers, or who need help from volunteers, should call **1-800-959-8281** and ask for the Community Volunteer Income Tax Coordinator.

Electronic filing (EFILE)

EFILE makes it possible for individuals to electronically file their personal income tax returns.

The advantages of using EFILE include:

- improved accuracy of tax data;
- reduced postage and handling costs;
- reduced paper use;
- fast processing of returns;
- an electronic acknowledgement that we received your return; and
- ease of payment (file early and pay by April 30).

Taxpayers have to use the services of accountants, tax preparers, employers, or others who offer EFILE, to send their income tax return data to us electronically. These individuals have been approved by us as EFILE service providers, and they use encryption devices to ensure that tax information remains confidential.

Most service providers charge a small fee for EFILE services. In many cases, tax professionals and accountants include the cost of filing electronically in the cost of preparing a tax return.

Taxpayers who prepare their own tax returns on diskette have to show the EFILE service provider all their supporting documents before the service provider can transmit their returns. Clients of the International Tax Services Office, such as non-residents, cannot use the EFILE system.

For more information, clients can look for an approved EFILE service provider displaying the EFILE logo or they can contact their tax services offices. The addresses and telephone numbers for tax services offices appear in Appendix A. They are also listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Clients can also get information about EFILE on our web page at: www.rc.gc.ca/efile/

For information on Corporate EFILE for business returns, see page 32.

Employee and partner GST/HST rebate

Certain employees and partners can claim rebates for GST/HST paid on expenses they deduct from employment income for income tax purposes. Employees can find more information on this rebate in the publication called *Employment Expenses*, and partners can get information from *GST/HST Rebate for Partners*. These publications are available at any tax services office listed in Appendix A.

Federal Excise Gasoline Tax Refund Program

Through the Federal Excise Gasoline Tax Refund Program, qualified claimants can get a refund of part of the federal excise tax on gasoline at a rate of \$0.015 a litre or \$0.0015 a kilometre. These claimants are:

- people certified by a qualified medical practitioner as suffering from an impairment of mobility to such a degree that using public transportation would be hazardous; and
- registered Canadian amateur athletic associations and registered charities as defined in the *Income Tax Act*.

For more information on this program, clients can contact their tax services offices, or call the Gasoline Tax Refund Unit at 1-800-461-3567.

GST/HST credit

The GST/HST credit helps families with low and modest incomes offset all or part of GST/HST. The Government pays the GST/HST credit four times a year: in July, October, January, and April. We calculate the credit using information from income tax returns filed by applicants and their spouses, if applicable.

To apply for, or to continue to receive the credit, individuals have to file income tax returns each year. They have to complete the area for the GST/HST credit application and the area that shows marital status. Details on the GST/HST credit are available in income tax packages, or from the tax services offices listed in Appendix A.

Information is also available on our family benefits web page at: www.rc.gc.ca/cctb-gstc/

GST/HST general rebate for individuals

Individuals may qualify for a rebate when:

- a person pays GST/HST in error on a transaction;
- a non-registrant sells taxable real property;
- a non-resident exports goods;
- a person leases land for residential purposes;

- an unregistered non-resident sells goods on an installed basis to a registrant;
- a resident of a participating province pays HST on imported goods that will be consumed or used in a non-participating province;
- a person pays HST on intangible personal property or services that are for consumption, use, or supply in a non-participating province;
- a resident of a participating province manages an investment plan or fund for residents of a non-participating province; or
- a person pays HST on a printed book.

Clients can find more information in the *GST/HST General Rebate Application*, available from any tax services office. These offices are listed in Appendix A.

Certain foreign representatives and officials may also be eligible for a rebate. They can get more information by asking their tax services offices for a copy of Form 288(E), General Application for Rebate of Goods and Services Tax (GST)/ Harmonized Sales Tax (HST) for Foreign Representatives, Diplomatic Missions, Consular Posts, International Organizations, and Visiting Forces Units.

Visitors to Canada can also apply for a refund of GST/HST they pay on certain goods and services. See page 29 for details.

GST/HST new housing rebate

GST/HST new housing rebates may be available to qualifying purchasers of new homes, purchasers of shares in co-operative housing, and to owners who construct or substantially renovate their own homes, or hire another person to do so.

Clients can get more information on the rebate in the publication called *GST/HST New Housing Rebate* available through our tax services offices.

Home Buyers' Plan

Under proposed changes, starting in 1999, individuals may be able to participate in the Home Buyers' Plan more than once. To be eligible, participants must have repaid any outstanding balance and meet certain conditions.

People with disabilities can participate in the plan to buy or build a more accessible home. Individuals can also use it to let a relative with a disability buy or build a more accessible home. For more details, get a copy of the current year's Home Buyers' Plan guide, at any of the tax services offices listed in Appendix A.

Generally, clients have to repay amounts withdrawn under the Home Buyers' Plan over a period of no more than 15 years. To make a repayment under the plan, participants must contribute to their RRSPs and designate, on their income tax returns for the year, the portion of the contribution that is to be considered a repayment. They have to start designating repayments on the income tax return filed for the second year after the year they withdrew an amount.

Participants make this designation on Schedule 7, RRSP Contributions, Transfers, and Designations of Repayments Under the Home Buyers' Plan, and file Schedule 7 with their returns. Starting in 1999, all participants will have to file an income tax return to make a repayment, even if they do not have tax to pay.

Income tax-filing season services Extended hours of telephone and counter services

During the filing season, every tax services office offers extended hours for their bilingual public enquiries telephone and counter services. This annual service makes it easier and more convenient for clients to get the help they need to complete and file their returns.

Since the dates for the extended hours change each year, people who want to use this service should check the information included in their income tax packages.

Information sessions

During the filing season, tax services offices offer information sessions for specific groups – usually seniors, people with employment income, and people filing only for the GST/HST credit.

Tax clinics

Every year during the filing season, we open tax clinics in various communities. These clinics are in convenient places, such as shopping malls and public buildings that are easily accessible to clients who need information and advice about their tax returns. These clinics have a variety of forms, guides, and pamphlets that clients may need.

We may also set up clinics in Government of Canada InfoCentres, which are often in Human Resources Centres of Canada in some smaller communities.

Our tax services offices inform people in their areas about the tax clinics by:

- advertising in local newspapers;
- displaying posters near the tax clinic; or
- making announcements on radio and on community cable channels.

For clients in Quebec whose provincial income taxes are administered by the Quebec government, we operate most clinics jointly with the ministère du Revenu du Québec.

Tax clinics can be open from as little as one day to two-and-a-half months in the period leading up to the April 30 filing deadline.

Instalment payments for income tax

Instalments are payments of income tax made directly to us at Revenue Canada. People who receive income that has little or no tax withheld at source may have to pay a large amount of tax

when they file their returns. If their net tax owing for the current year and either of the two preceding years is more than \$2,000 (\$1,200 in Quebec), they may have to pay their income tax by instalments. We issue reminders to people who may have to make instalment payments.

We offer three options for calculating the payment amounts:

■ No calculation

Taxfilers pay the amount shown on the instalment reminder that we send them by the due date indicated on the reminder.

Prior year

Taxfilers pay one-quarter of the prior year's net tax owing and any Canada Pension Plan (CPP) contribution payable on March 15, June 15, September 15, and December 15.

■ Current year

Taxfilers pay one-quarter of the current year's estimated net tax owing and any CPP contribution payable on March 15, June 15, September 15, and December 15.

Clients who choose the no-calculation option do not have to calculate the amount of their quarterly income tax payments. People who pay the amount that appears on each reminder on time will not be charged any instalment interest or penalties, even if the payments are less than the total amount of tax they owe for the year.

Preretirement seminars

Through our tax services offices, we can arrange special seminars that explain how the tax system affects retirement. These seminars are geared to people preparing for retirement. Interested individuals should contact their tax services offices to find out what is available. A list of addresses and telephone numbers for these offices appears in Appendix A.

Problem Resolution Program

We can resolve most clients' questions and concerns quickly through our general enquiries service. However, we also have a Problem Resolution Program to handle cases that need special attention.

The Problem Resolution Program handles—on a priority basis—cases that cannot be resolved through usual channels. The program co-ordinators look at any concerns brought to their attention, trace the problem to its source, and decide whether the case is isolated or part of a larger trend that needs attention.

This program is not meant to replace our general enquiries service, nor bypass procedures established to resolve client problems or enquiries on the spot. If, after giving regular channels a chance to work, clients feel their problems have not been resolved, they can contact the problem resolution co-ordinator at their tax services offices. The phone numbers are listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Registered retirement savings plans (RRSPs)

We inform individual taxpayers of their RRSP deduction limits on the assessment notices they receive after they file their income tax returns. We also inform them of the amount of any RRSP contributions they have not previously deducted.

For any given year, clients can deduct RRSP contributions up to their limit. The contributions that they can deduct include amounts contributed during the year or within 60 days after the end of the year, as well as any amounts they contributed after 1990, as long as these amounts were not deducted in a previous year. Clients can deduct contributions they made to their own RRSPs or to spousal RRSPs.

Clients who want to check their RRSP deduction limits, or the amount of their undeducted contributions can call the automated T.I.P.S. (RRSP) service (see page 19) or their tax services offices.

Clients can make deductible contributions to their own RRSPs up to the end of the year in which they turn 69. They can also make deductible contributions to their spouses' RRSPs up to the end of the year in which their spouses turn 69.

When clients reach the age of 69, they have to convert their RRSP to a Registered Retirement Income Fund (RRIF), or an annuity by December 31 of that year, and begin drawing retirement income from it the following year. Clients who do not convert their RRSPs by the end of the year in which they turn 69, will have to include the entire value of the RRSP in their income the following year.

Residency determination

Sometimes people entering or leaving Canada need information about their Canadian residency for income tax purposes. To help them, all our tax services offices have access to an expert computer system called the Residency Determination Advisor. This system allows departmental staff to determine and process enquiries about an individual's residency quickly and accurately.

Non-resident withholding taxes

Non-residents who earn income in Canada have withholding taxes deducted at source. For non-residents performing services in Canada, the rate is 15%. Non-residents receiving other types of income from Canadian sources (e.g., interest or dividend income) are taxed at 25%. Clients who need more information on non-resident withholding taxes can get help from their tax services offices or from our International Tax Services Office. Addresses and phone numbers for these offices are listed in Appendix A. (For information on other services provided by the International Tax Services Office, see page 9.)

Resident withholding taxes

Canadian residents who have foreign income such as interest, dividends, or pensions, can ask their tax services office or tax centre for certification of their Canadian residency. They need this certification to apply for a refund of excess income tax other countries withhold when the rate of withholding tax is reduced under a convention (or agreement) between Canada and the foreign country.

Simplified income tax packages

In addition to the General and Special income tax packages, we produce simplified income tax packages that take into account clients' tax situations based on their filing histories. These tax packages include a simpler return for individuals who want to calculate the amount of their refund or balance owing.

We mail these packages to taxfilers such as:

- individuals who complete a tax return solely to establish their eligibility for the Canada Child Tax Benefit, the GST/HST credit, and various provincial entitlements;
- seniors; and
- wage earners and others with straightforward tax situations.

These simplified tax packages have allowed us to significantly reduce the amount of paper we use.

Clients can still get a complete tax package at tax services offices, Government of Canada InfoCentres, and at postal outlets across the country. In addition, clients can choose to take the booklet containing only tax forms. This booklet allows clients to get the forms they need without having to take an income tax guide at the same time.

Teaching Taxes Program

Every year we supply Teaching Taxes kits free of charge to about 2,000 teachers and 75,000 students. High schools and colleges across the country use the program in economics, accounting, business, mathematics, consumer education, social studies, and even language courses.

Any teacher can order the *Teacher's Manual* and the *Student's Workbook* from a tax services office (see Appendix A for addresses and telephone numbers).

TELEFILE

TELEFILE is our newest filing method for personal income tax returns. Seniors who receive personalized T1S-A returns, wage earners who receive T1S-B and T1 Special returns, credit filers who receive T1S-C returns, and clients who receive the new package for computer software users, may be able to TELEFILE. These clients will find a TELEFILE information sheet, an access code, and step-by-step instructions in their tax packages.

Using TELEFILE is easy. Once clients complete their tax returns, they call the toll-free number. An automated telephone interview prompts them to provide their income tax information by pressing the numbers on the keypad of their touch-tone telephones. When they are finished, clients are asked to confirm that they want to file the information as their income tax returns. We immediately give them confirmation numbers and begin to process their returns. They will receive their assessment notices, and any refund that applies, about two weeks after the tax centres start processing returns in mid-February.

TELEFILE allows clients who do not want to use a third party, to file their income tax returns electronically from home. The service is free, available seven days a week, and takes only a few minutes.

Clients can also get information about TELEFILE from our web page at: www.rc.gc.ca/telefile/

Visitor Rebate Program

Under the Visitor Rebate Program, non-resident visitors to Canada can claim a refund for some of the tax they pay on short-term accommodation (less than one month), and on eligible goods that they export or take home within 60 days of purchase. Non-resident businesses can claim a refund for some of the tax they pay on short-term accommodation for their employees travelling on business in Canada.

Non-residents can use a single application form to claim refunds for GST/HST, Manitoba provincial sales tax (PST), and Quebec sales tax (TVQ). Claimants receive a single cheque mailed to their permanent address outside Canada. Visitors should complete Form GST176E, Visitor Application for Refund of Goods and Services Tax/Harmonized Sales Tax (GST/HST), Manitoba Provincial Sales Tax (PST), and Quebec Sales Tax (TVQ), while business travellers should fill out Form GST 510E, Application for Business Travel Refund of Goods and Services Tax/Harmonized Sales Tax (GST/HST), Manitoba Provincial Sales Tax (PST), and Quebec Sales Tax (TVQ).

To be eligible for this rebate, non-resident visitors must have original receipts totalling at least CAN\$200 (before taxes), and each individual receipt must show a minimum eligible purchase of CAN\$50 (before taxes).

For rebates of up to CAN\$500, non-resident visitors can present their original receipts at Canadian duty-free shops at the Canada/ United States border that participate in the Visitor Rebate Program. More information on duty-free shops appears on page 42.

Non-resident visitors have to submit an application within one year of the day they paid for eligible accommodation or exported goods they purchased. Claimants should mail their applications, with original receipts to:

Visitor Rebate Program Summerside Tax Centre Revenue Canada Summerside PE C1N 6C6 CANADA

Non-resident visitors who have questions about the rebate can contact us at 1-800-66VISIT (1-800-668-4748) from within Canada, or (902) 432-5608 if they are calling from outside Canada.

Businesses

We are committed to providing businesses with the support they need to meet their fiscal obligations and receive their entitlements. Our business enquiries staff and specialists in tax avoidance, international transactions, electronic data processing, and industry-specific sectors, help us provide quality service to the business community.

We develop compliance strategies in consultation with industry, provincial governments, and professional associations, as well as advisory groups like the Large Business Advisory Committee, and the Scientific Research and Experimental Development Advisory Committee. These strategies, developed on a sector or issue basis, combine information, education, clarification of the law, proposals for legislative change, and responsible enforcement to ensure everyone complies with the law.

We also consult with the Small Business Advisory Committee when we are developing departmental products, policies, services, programs, and procedures. Their input helps ensure that our small business clients get the products and services they need, and that their compliance burden is kept to a minimum.

By ensuring that all Canadians pay their fair share of tax, we help the Government stay fiscally sound.

Advance Pricing Agreement (APA) service

The Advance Pricing Agreement (APA) service helps Canadian taxpayers establish, for income tax purposes, acceptable transfer pricing for future cross-border transactions between related businesses. (An example of related businesses is parent companies and their subsidiaries.) These transactions are between related businesses that operate in Canada and in another country.

The APA service also helps Canadian taxpayers eliminate potential double taxation from transfer pricing with related foreign operations in countries with which Canada has an income tax treaty. Canada has developed procedures for establishing bilateral agreements with our major trading partners. We manage these agreements with the other countries' tax administrations.

This service gives business clients more certainty about the income tax implications of transfer pricing in cross-border transactions. The APA service carries a user charge. For more information about this service, clients can contact our International Tax Directorate, 2nd floor, Tower C, 25 McArthur Avenue, Ottawa ON K1A 0L5.

For information about possible implications of customs valuation, see "Trade administration – Valuation" on page 54.

Advance rulings

At Revenue Canada, we offer a binding advance rulings service for proposed transactions. We interpret the provisions of the *Income Tax Act*, the *Excise Tax Act*, and related statutes, and establish our interpretation. Advance rulings state how we will interpret specific provisions of tax law for transactions a client is contemplating in the near future. This service has a cost-recovery fee for income tax.

Clients can mail written requests for advance income tax rulings or technical interpretations on complex issues to:

Income Tax Rulings and Interpretations Directorate Revenue Canada 25 Nicholas Street Ottawa ON K1A 0L5

They can also fax requests to (613) 957-2088.

For GST/HST interpretations or to ask for GST/HST binding application rulings, clients should speak to a GST/HST technical interpretation services officer in their tax services office. For advance GST/HST rulings, clients can mail written requests to their nearest technical interpretation services centre. Addresses for these centres are available in Appendix A.

For information on advance customs rulings, see the section called "National Customs Ruling Program" on page 51.

Business Number

The Business Number (BN) is an identifier that assigns each business a single number that, remains the same no matter how many accounts it has. The BN includes the major accounts most businesses have: corporate income tax, GST/HST, import/export, and payroll deductions. All new businesses registering for any one of these accounts receive a BN. Charities, Canadian amateur athletic organizations, and national arts service organizations registered with Revenue Canada also use the BN.

Businesses can call **1-800-959-5525** to register a new business. We automatically route the call to the appropriate business window.

Business registration on-line

Business registration on-line workstations are available in most of our tax services offices. They are a fast and convenient alternative to registering at the counter or by mail. By answering a series of simple questions, clients

can register for a BN, or for program accounts like GST/HST, payroll deductions, import/export, or corporate income tax.

Business windows

Business windows, located in most of our tax services offices, are the initial point of contact for business clients. This special one-stop service allows clients to get a Business Number and register for any of our four main programs: GST/HST, payroll deductions, corporate income tax, or import/export.

Business window staff can respond to client enquiries for both general and complex business information. If business window staff are unable to answer an enquiry, they refer the client to the appropriate program expert.

Appendix A lists offices with this service.

Community visits

Community visits were initiated as an efficient way to help deal with the underground economy. These visits, offered as an education and service activity, help to:

- educate businesses on the impact of the underground economy;
- encourage and help businesses to voluntarily comply with their tax obligations;
- enhance departmental visibility and demonstrate that we are taking action to ensure a level playing field for all businesses; and
- gain support from groups harmed by the underground economy.

The visits which started in the fall of 1994, have already reached more than 29,000 businesses in 160 communities.

Co-ordinated audits

At Revenue Canada, our new approach to large corporate audits offers a tailored agreement, or protocol, to streamline the audit of a company's business activities. These protocols establish multi-year plans and improve communication and co-operation. The audit plan describes the issues we will audit, and the mechanism for resolving outstanding matters.

Another feature of the new approach is real-time audits, where we audit issues before businesses file their relevant tax returns. Teams of specialists from various areas conduct the audits. Also, at the client's request, we can audit all the taxes we administer simultaneously.

To help smaller businesses, we have developed a co-ordinated approach to audit. For many small businesses, it is more efficient to have us conduct GST/HST and income tax audits simultaneously. This saves the business time and money, and is also more effective for us. Even when auditors select one tax for auditing, they also review the total federal tax profile of the business.

Co-ordinated collections

By co-ordinating the collection of all our departmental accounts, clients or practitioners can deal with just one official. This approach allows us to provide more efficient service that is responsive to individual business circumstances.

As a new service to clients who have amounts owing to the Crown, we have published Information Circular 98-1, *Collections Policies*. This circular is designed to help clients understand their rights and responsibilities as they relate to their unpaid accounts.

Corporate EFILE

In co-operation with the provinces of Alberta and Ontario, we are developing a common electronic filing process for businesses that file corporate income tax returns.

You can find out more about Corporate EFILE on our web page at: www.rc.gc.ca/t2return/

For information on electronic filing of personal income tax returns, see page 24.

General Index of Financial Information (GIFI)

For businesses to file their corporation returns electronically, they have to be able to supply their financial information in a codified format. To answer this need, we developed the GIFI, a listing of the most common elements found on balance sheets, income statements, and statements of retained earnings. For more information on the GIFI, pick up the publication called *Guide to the General Index of Financial Information (GIFI) for Corporations*, or visit our web page at: www.rc.gc.ca/t2return/

GST/HST annual filing

Small businesses with annual revenues of \$500,000 or less can file their GST/HST returns annually, instead of quarterly. These businesses continue to pay the tax they owe in four instalments, based on the lesser of the net tax they paid in the previous year, or on an estimate of the current year's net tax. However, if instalment payments based on an estimate of the current year's net tax are less than the actual tax owing, penalties and interest may be payable.

If the net tax remittable in the previous year (or estimated amount for the current year) is less than \$1,500, businesses only have to send in the net tax once, usually when they file their annual returns. Individuals with business income who are annual filers and have a December 31 year end have until June 15 to file their GST/HST returns. However, they must send in any net tax owing by April 30.

Branch returns

Businesses and public-sector organizations can apply to have their branches or divisions file separate GST/HST returns or rebate applications if the branches or divisions meet certain conditions (i.e., separate accounting records, and either separate locations or activities). Clients can get details in the information guides for GST/HST registrants and public-sector organizations, or from their tax services offices.

GST/HST electronic filing and remitting

The GST/HST Electronic Filing and Remitting Program allows registrants to file their returns and remit their payments electronically using electronic data interchange (EDI) technology.

Registrants can file directly with us using EDI technology they develop themselves, or software they buy. Registrants who use EDI technology they develop themselves must complete testing to ensure that their software meets our specifications. Registrants can also file electronically through a financial institution or other organization offering EDI services.

Information about the GST/HST Electronic Filing and Remitting Program is available at any tax services office, by contacting our EDI Operations toll free at 1-800-279-5394, or from our web page at: www.rc.gc.ca/gsthst-edi/

GST/HST general rebate for business

A rebate may be available to a business:

- in certain real property transactions;
- when it pays amounts in error;
- as a non-resident, when it acquires short-term accommodation in Canada for non-resident employees travelling on business;
- as an unregistered, non-resident when it sells goods on an installed basis to a registrant;
- when it pays HST on intangible personal property or services that are for consumption, use, or supply in a non-participating province;
- when it pays HST on intangibles and services which are to be used or consumed in managing an investment plan or fund for residents of a non-participating province; or
- when it pays HST on a printed book.

A GST/HST rebate may also be available to:

- Indian bands, tribal councils, and band-empowered entities; and
- legal-aid plans.

More information appears in the *GST/HST General Rebate Application*, available from any tax services office. These offices are listed in Appendix A.

Certain foreign representatives and officials may also be eligible for a rebate. They can contact their tax services offices and ask for a copy of Form 288(E), General Application for Rebate of Goods and Services Tax (GST)/Harmonized Sales Tax (HST) for Foreign Representatives, Diplomatic Missions, Consular Posts, International Organizations, and Visiting Forces Units.

GST/HST in the province of Quebec

The province of Quebec administers GST/HST on behalf of the federal government. The single administration of GST/HST and all provincial taxes and revenues by the ministère du Revenu du Québec (MRQ) allows individuals and businesses in Quebec to register, file returns and rebate applications, and get information on both GST/HST and the Quebec sales tax from MRQ district offices.

We provide services and administer other excise taxes and duties in the province of Quebec through our Montréal tax services office.

GST/HST Quick Method of accounting

Small businesses can use a simplified accounting option known as the Quick Method to calculate GST/HST they owe. Because businesses using this method do not track GST/HST they pay, they cannot generally claim input tax credits.

Businesses with worldwide annual taxable sales (including zero-rated sales) of \$200,000 or less, including GST/HST and annual taxable sales of all associated businesses, can use this method,

with some exceptions. Exceptions include accountants, tax consultants, lawyers, financial consultants, and charities.

Businesses that use this method calculate their net tax by applying the appropriate Quick Method remittance rate to their taxable sales. These rates take into account GST/HST payable on most business purchases. Generally, businesses affected by the HST must separate sales taxed at the 15% HST rate from those taxed at the 7% GST rate. Details on this method are in the booklet called *Quick Method of Accounting for GST/HST*, available from any tax services office.

Details on the Special Quick Method available to various public-sector organizations and the simplified tax calculation for charities can be found on page 38.

GST/HST simplified method for claiming input tax credits or rebates

Small businesses and public-sector organizations that qualify for the simplified method for calculating input tax credits do not have to keep track of GST/HST they pay on each invoice. However, businesses must separate their purchases that are taxable at the 7% GST rate from those taxable at the 15% HST rate. To qualify for this method, in the last fiscal year small businesses and public-sector organizations must have had:

- worldwide taxable sales of \$500,000 or less, including sales by associated businesses, but excluding sales of capital real property and financial services; and
- taxable purchases, either in Canada or imported to Canada, of less then \$2 million, including purchases by associated businesses.

For public-sector organizations, it must be reasonable to expect that their taxable purchases will not exceed \$2 million in their current fiscal year.

Public-sector organizations meeting these conditions can also use the simplified method for claiming rebates. However, listed financial institutions cannot use the simplified methods for claiming input tax credits or rebates.

Clients can get more information on these simplified methods, as well as general information on GST/HST in the guide called *General Information for GST/HST Registrants*, available at their tax services offices. Information on the simplified methods available to public-sector organizations is available in the publications called *GST/HST Information for Charities*, *GST/HST Information for Non-Profit Organizations*, and *GST/HST Information for Municipalities*.

Income tax returns for smaller corporations

At Revenue Canada, we offer a T2 Short corporate income tax return for corporations with gross revenues of \$500,000 or less, and with no taxable income. The return, which is two pages instead of the usual six, reduces the time it takes small corporations to complete their returns.

Magnetic-media filing

Magnetic-media filing is a computerized way for businesses and service bureaus to file their T3, T4, T4A, T4A-NR, T4RIF, T4RSP, T5, T5007, T5008, and NR4-related information returns. Instead of sending paper copies of this information, clients can send diskettes, tapes, or cartridges. A single diskette, tape, or cartridge streamlines the process and allows error-free data capture and faster data processing. Magnetic-media filing saves clients time, paper, and money on their year-end filing.

Since there are certain specifications for filing on magnetic media, we provide instruction guides and a testing facility. Our staff members will be pleased to answer any questions. For more details on the magnetic-media filing program, call toll free 1-800-665-5164 or visit our web page at: www.rc.gc.ca/magmedia/

New Employer Visit Program

Departmental officials are available, on request, to visit new employers on their own premises. This service provides new employers with a chance to discuss concerns they may have about recording, withholding, or reporting requirements for employee earnings, income tax, Canada Pension Plan, or Employment Insurance contributions.

Our staff can also provide advice on GST/HST filing requirements, inform new businesses about challenges they may encounter, and advise them on where to get information and assistance from us when they need it.

New employers wishing to take advantage of this program should contact the Revenue Collections Division of their tax services offices. Addresses and telephone numbers are listed in Appendix A, as well as under "Revenue Canada" in the Government of Canada section of the telephone book.

Outreach program

Through information sessions, organized by local tax services offices, new investors and entrepreneur immigrants can find out about:

- their rights and obligations under the Canadian tax system;
- benefits available to them;
- how we determine residency for income tax purposes; and
- the new foreign reporting rules.

Registered plans information

Our Registered Plans Division is responsible for activities under the *Income Tax Act* that relate to the registration and funding of plans dealing with:

- employee pensions;
- retirement savings;
- retirement income;
- deferred profit-sharing;
- supplementary employment benefits;
- education savings; and
- registered investments.

Besides providing various publications, the division audits and monitors plans to make sure they comply with regulations and accepted actuarial practice.

Our telephone enquiries service helps employers, plan sponsors, administrators, consultants, issuers, and carriers to interpret legislation and regulations, and to calculate pension adjustments (PA), pension adjustment reversals (PAR), and past service pension adjustments (PSPA). This telephone service is available weekdays between 8:00 a.m. and 5:00 p.m. Eastern Time. For PA/PSPA or PAR enquiries, call toll-free 1-800-267-3100, and for general enquiries call (613) 954-0419.

Registered Pension Plan Annual Information Return

Administrators of registered pension plans have to file an annual information return with both Revenue Canada and a provincial pension plan regulator.

In provinces where the provincial regulator collects the information for us, plan administrators only file one joint return with the province, by the provincial deadline. Both Revenue Canada and the provinces use the plan year, rather than the calendar year, as a basis for the return, so plan administrators do not have to convert their records from one year end to the other.

In provinces that do not have an agreement with us, plan administrators have to file Form T244, Registered Pension Plan Annual Information Return, with us no later than 180 days after the plan's year end.

For information on filing a joint return, or to get a copy of the return, clients can contact the Registered Plans Division between 8:00 a.m. and 5:00 p.m. Eastern Time at (613) 954-0419. Clients can also get copies of Form T244 at any of the tax services offices listed in Appendix A.

Scientific research and experimental development (SR&ED) investment tax credit

At Revenue Canada, we have an SR&ED claimant service to help individuals and businesses who have never filed a claim for the SR&ED investment tax credit. The service makes prospective claimants aware of the incentives to file, including the 18-month filing deadline.

We address the special needs of first-time SR&ED claimants through information sessions. At these sessions, staff members explain what SR&ED means under the *Income Tax Act* and Regulations, describe eligible work, explain which expenses qualify for the credit, and describe the documents needed to make a claim. Clients can get information about these sessions by calling the general enquiries number at any tax services office and asking for the SR&ED co-ordinator. We also have a form and guide to help clients making claims for the SR&ED credit.

We currently have a target of 120 days for issuing refunds to small corporations, and for informing large companies whether we accept their claims as filed, or if we will audit them. If we will be auditing, we notify claimants about when the audit will start.

To improve our level of service we are:

- streamlining paperwork by providing a short form for small businesses;
- reviewing projects before they begin, or while they are underway;
- increasing the number of science officers;

- increasing awareness of the SR&ED program through an outreach campaign;
 and
- establishing national technology sector specialists to enhance consistency and establish stronger relationships with industry associations.

We also have a 60-day fast track for SR&ED claims when we have no concerns about a company during the initial review of its claim.

Copies of the SR&ED guidelines and claim forms are available from any tax services office. Clients can also find them on the SR&ED web page at: www.rc.gc.ca/sred/

Small business information seminars

We offer free seminars to inform new or prospective businesses about "need-to-know" information on their rights and obligations under the customs, excise, GST/HST, and income tax legislation, and about the services and help available to them.

These seminars are divided into four modules: Government services, the basics of customs, GST/HST, and income tax. Topics include the many services available throughout the federal government, information about government legislation, the types of income to report and expenses we allow, maintaining records, calculating GST/HST input tax credits, processes for importing and exporting, and filing requirements.

We work with the provinces to offer these seminars throughout the year on a modular basis, days or evenings. The total time needed to present all four modules is about 7.5 hours.

Clients interested in attending either an individual module or the entire seminar, can contact their nearest customs border services office (see Appendix B) or tax services office (see Appendix A).

Tables on diskette (TOD)

Tables on diskette (TOD) is an easy-to-use computer program that helps employers determine payroll deductions. It saves time by calculating all deductions simultaneously for any pay period, province, or territory. A single diskette contains the text and tables of 26 different publications.

TOD can be used in place of the paper tables and is available free of charge. By eliminating the need for paper and by providing a reusable diskette, TOD is environmentally friendly. TOD also calculates deductions from commission and bonus payments and determines tax deductions when the employee is exempt from Canada Pension Plan or Employment Insurance. With TOD, clients can print TD1 or TD1X forms on site, as well as any page of the tables. Future enhancements will make it possible to print other forms or perform other payroll functions.

TOD is available at tax services offices, on the Internet (www.rc.gc.ca/tod/) or from the Electronic Document Distribution System (see page 16). The program comes in both Windows and DOS formats. We will automatically mail diskettes to clients identified as TOD users.' Clients who do not want to use TOD can still get the payroll deductions tables on paper.

Public-sector organizations

Public-sector organizations include charities, non-profit organizations, municipalities, school and hospital authorities, and public colleges and universities.

Charities information

The Charities Division administers the provisions of the *Income Tax Act* relating to charities, amateur athletic organizations, and political parties. It determines which organizations meet the legal definition of "charity" and registers those that qualify.

The Division is responsible for interpreting the applicable section of the *Income Tax Act* and related regulations, as well as providing technical advice to client organizations and the public. The Division also operates an audit and compliance program.

At Revenue Canada, we offer a bilingual, toll-free telephone service to help people who want information about registered charities. This service provides information on whether an organization is registered as a charity, whether people can make tax-assisted gifts to registered charities under specific circumstances, and how organizations can become registered as charities for income tax purposes. Through this telephone service, people can also get copies of the latest public information return filed by a specific registered charity.

Callers can reach the client assistance section of the Charities Division toll-free at **1-800-267-2384** weekdays from 8:15 a.m. to 5:00 p.m. Eastern Time. Callers in the Ottawa area can reach the Charities Division by phoning **(613) 954-0410**.

The Charities Division also administers the program under which charities file annual information returns. The public has access to these returns as well as to the governing documents of any registered charity.

Large scale requests for information are subject to a cost-recovery fee. The Division can also supply, on a cost basis, aggregate statistics for the charitable sector compiled from information returns.

To help charities, the division provides free seminars across the country and can, in some cases, provide speakers for conferences.

Clients can find publications and forms related to charities on the charities web page at: www.rc.gc.ca/charities/

GST/HST rebates

Many goods and services provided by public-sector organizations are exempt from GST/HST. Most of them can partially recover GST they pay on some purchases related to their exempt activities by claiming a rebate at a set rate. Special rules apply when these organizations claim an HST rebate. Clients can get more information on GST/HST rebates in the guide called *GST/HST Public Service Bodies' Rebate*, or from the business enquiries section of their tax services offices.

GST/HST simplified accounting methods

Public-sector organizations may be eligible to use one of these simplified accounting methods.

Special Quick Method

Qualifying non-profit organizations and other public-sector organizations who are registered for GST/HST and eligible to claim rebates can use the Special Quick Method. Organizations using this method may have to use a different percentage rate when they send in their taxes owing. Clients can get more information on this accounting method from any tax services office.

Simplified tax calculation for charities

Most charities registered for GST/HST must use this simplified calculation to determine their net tax, instead of the Special Quick Method. Charities that meet certain conditions, can choose **not** to use this simplified calculation. Clients can get details on this method in the guide called *GST/HST Information for Charities* or from the business enquiries section of any tax services office. Addresses and telephone numbers appear in Appendix A.

GST/HST simplified method for claiming input tax credits or rebates

Details on this method appear on page 34.

GST/HST - Small-supplier divisions

Public-sector organizations can apply to have us treat a branch or division as a small-supplier division if the branch or division has separate accounting systems, either a separate location or activities, and its annual taxable supplies are \$50,000 or less. Small-supplier divisions do not charge GST/HST, but cannot claim input tax credits. Clients can get more information on small-supplier divisions from the information guide for their public-sector organization or from their tax services offices.

Non-Profit Organization (NPO) Information Return

Certain agricultural organizations, boards of trade, chambers of commerce, and non-profit organizations have to file Form T1044, Non-Profit Organization (NPO) Information Return.

Organizations have to file this return if they:

- received or are entitled to receive dividends, interest, rental income, or royalties totalling more than \$10,000 in the fiscal period; or
- have total assets of more than \$200,000 at the end of the last fiscal period.

Once an organization has had to file this return, it will have to continue filing the return for all future fiscal periods. This is the case regardless of the dollar value of its revenues or the book value of its assets in future years.

For more information on non-profit organizations, or to get a copy of the *Income Tax Guide to the Non-Profit Organization (NPO)*Information Return, clients can contact their tax services offices.

Chapter 4 – Customs programs and services

Travellers

Most Canadians returning to Canada after a foreign trip are quite familiar with their entitlements and obligations for declaring imported goods, and paying duties and taxes. Pamphlets such as *I Declare* provide simple explanations for travellers dealing with customs. (See also "Businesses" on page 44.)

Border permit system

The Remote Area Border Crossing (RABC) permit system, available in northwestern Ontario, allows permit holders to cross the border without reporting to customs, as long as they are not importing goods. Permit holders importing goods make their declarations to customs by phone before leaving the United States. Customs officers then give them a reference number and instructions on how to pay duties and taxes.

Canada – United States of America Accord On Our Shared Border

This undertaking commits the two countries to border-service programs that promote international trade, reduce the cost and burden of compliance, promote tourism, improve service, increase trade, and speed the movement of goods and people between Canada and the U.S. The Accord also strengthens enforcement by focussing on the smuggling of guns, drugs, and other contraband, and on high-risk travellers. The programs use state-of-the-art technology and automated devices, and save Canadian taxpayers money.

Revenue Canada, Citizenship and Immigration Canada, the U.S. Customs Service, and the U.S. Immigration and Naturalization Service are working together to improve services for travellers at land border crossings, airports, and on common waterways.

Initiatives include:

- establishing a joint program for frequent travellers at land and marine border sites and airports;
- developing a joint client services program to help the trading community and the travelling public;
- pursuing an agreement on sharing responsibility for asylum seekers;
- streamlining the processing of commercial goods; and
- reducing costs by sharing equipment, buildings, and joint new construction.

At Revenue Canada, we are undertaking a series of projects to test alternatives that we will eventually introduce across Canada.

CANPASS Program

CANPASS includes six initiatives under the Accord. One of the Accord's long-term goals is to have an integrated program with one application process for entering both Canada and the U.S. at major border crossings and airports. Through CANPASS, we can preapprove frequent, low-risk travellers to pass quickly and easily through customs. We register qualified participants for the various CANPASS programs through our CANPASS Processing Centre system.

CANPASS – Airport – This program started in Vancouver in the fall of 1995. Preapproved travellers can enter Canada at a CANPASS kiosk using their CANPASS access cards, which include a personal identifier. They can also use the kiosk to declare any goods they are importing, and will receive a receipt as proof of their declaration. Customs and immigration officers monitor the kiosk and continue to check travellers regularly.

We are considering expanding a similar system to other international airports in Canada, in partnership with the private sector. CANPASS – Corporate Aircraft – This newest CANPASS initiative is designed for corporate business travellers. By calling 1-888-CANPASS (1-888-226-7277) for preapproved clearance before leaving the U.S., participants can speed up customs procedures. They are still responsible for any duties and taxes they owe and may be subject to spot checks.

CANPASS – Highway – This program is based on the Peace Arch Crossing Entry (PACE) Program which began in Douglas, British Columbia, in 1991. The program has expanded to the Aldergrove, Osoyoos, Boundary Bay, Pacific Highway, and Huntingdon border crossings in the lower mainland of British Columbia, and to Saint-Bernard-de-Lacolle, Quebec.

We have also introduced the first CANPASS Highway Dedicated Commuter Crossing at the Whirlpool Bridge in Niagara Falls, Ontario. This dedicated office is for the exclusive use of preapproved permit participants.

CANPASS – Highway participants receive decals for their windshields that allow them to use a special CANPASS lane. Customs officers visually monitor the lane for the decals and check vehicle licence plates against both the CANPASS system, and the Primary Automated Lookout System (described on page 43).

Preapproved travellers importing goods while using the CANPASS lane must have a valid credit card to use a special declaration system. Any duties and taxes owing are automatically charged to their credit cards.

CANPASS – Private Aircraft – This is a national telephone reporting system for travellers using preapproved airports. All travellers flying in private aircraft have to call 1-888-CANPASS (1-888-226-7277), to contact the Department before leaving the U.S., to verify their eligibility to enter Canada. These travellers can now apply for preapproved clearance, which speeds up customs procedures when they arrive in Canada. They are still responsible for any duties and taxes owing, and are subject to spot checks.

CANPASS – Private Boats – Under this program, travellers in private boats report to the Department through a Telephone Reporting Centre (TRC). Calling 1-888-CANPASS (1-888-226-7277) at the TRC gives travellers entering Canada by boat an alternative way of reporting to customs.

CANPASS – Remote Ports – This initiative allows preapproved local residents to cross the border when their local customs offices are closed. Canada and the U.S. began jointly testing this program in 1995. Three pilot sites are currently in operation. One site uses a controlled gate with voice-recognition technology, and the other two sites are testing licence-plate readers.

Preapproved travellers having goods to declare use a special declaration system that is linked to their credit cards. Participants complete their declaration cards, drop them in a special box, and any duties and taxes owing are automatically charged to their credit cards. Teams of customs officers periodically monitor the locations.

In the winter of 1999, we will begin consultations with 22 communities to find out what level of service they need, and to choose the most appropriate service options. We plan to implement CANPASS – Remote Ports in these communities by the year 2000.

For information on commercial initiatives under the Accord, see page 44.

Convention services

At Revenue Canada, we recognize the contributions of the meeting, convention, and incentive-travel industry to the Canadian economy. In partnership with other government departments, we have streamlined processes at the border to make it easier to hold international events in Canada.

We are the single point of contact for all government services for this industry. One phone call provides access to a network of federal departments and officials who will ensure that all border requirements related to

the event are identified early in the planning process. We also have regional conventions co-ordinators across the country who are available to assist members of the industry no matter where in Canada they are holding their event.

For more information on convention services, clients can contact the National Conventions Services Co-ordinator in Ottawa at (613) 946-0237, or the nearest customs border services office listed in Appendix B.

Customs Casual Refund Centres

Casual Refund Centres process requests for refunds of non-commercial (casual) shipments imported by mail or courier, or brought in by travellers. The eight refund centres issue refund cheques, where appropriate, for customs duties, GST/HST, and provincial sales tax collected at the time of import. Clients can use the simplified Form B2G, Customs Informal Adjustment Request, to request a refund of duties and taxes on imported casual goods. Clients can get Form B2G at customs border services offices, or on the back of Form E14, Customs Postal Import Form.

Casual Refund Electronic Data Interchange Transaction System (CREDITS)

To streamline the refund process, customs brokers can use CREDITS to send electronic refund requests on behalf of their clients (i.e., importers and mail-order houses) to specific refund centres. Brokers can only use CREDITS to request refunds of duties and taxes on casual goods that were imported and then returned to a mail-order house.

Customs information days

We host free information days in cities across Canada to give travellers, importers, and exporters information on customs-related topics. Details on these information days can be found on page 46.

Duty exemptions for returning residents

Returning residents are:

- Canadian residents returning from a trip abroad;
- former Canadian residents returning to live in Canada; or
- temporary residents of Canada (e.g., foreign students living in Canada for a specific period of time).

Personal exemptions

Returning residents qualify for certain personal exemptions when they return to Canada. Children and infants also qualify for personal exemptions as long as the goods are for the exclusive use of the child or infant. The parent or guardian can make the customs declaration for the child.

After an absence of 24 hours or more, returning residents can claim an exemption of up to CAN\$50. If the value of the goods is more than CAN\$50, the traveller cannot claim the exemption, and must pay duties and taxes on the entire amount. The goods must accompany the traveller on the return trip to Canada, and cannot include alcohol or tobacco products.

After an absence of 48 hours or more, returning residents can claim an exemption of up to CAN\$200. The goods must accompany the traveller on the return trip to Canada and can include alcohol and tobacco products.

After an absence of seven days or more, returning residents can claim an exemption of up to CAN\$500. The goods can accompany the traveller on the return trip or, with the exception of alcohol or tobacco products, may follow later by mail or other means.

Travellers cannot combine or transfer exemptions, or carry over an unused portion of an exemption for another period of absence.

Alcohol and tobacco

Alcohol and tobacco products can be included in the 48-hour and 7-day exemptions but must accompany the traveller on the return trip to Canada. They cannot follow by mail or other means. Returning residents must meet the age requirements set by the province or territory where they enter Canada.

As part of their personal exemption, travellers can include up to 200 cigarettes, 50 cigars or cigarillos, 200 tobacco sticks, and 200 grams of manufactured tobacco. Quantities of more than these amounts are subject to all applicable duties and provincial fees.

Travellers returning to Canada with alcoholic beverages can include up to 1.14 litres (40 oz.) of wine or liquor, or 24 355-ml (12 oz.) cans or bottles of beer or ale in their personal exemption. Quantities of more than this amount must be within the limits set by the province or territory the traveller is entering, and are subject to all applicable duties and provincial fees.

Restrictions

Additional rules and restrictions apply to importing:

- antiquities or cultural objects
- dairy products
- endangered species
- explosives
- firearms and ammunition
- fireworks
- fresh fruit and vegetables
- live animals and animal products
- meat and poultry
- motor vehicles

For more details on travellers' rights and obligations, please refer to the pamphlet *I Declare*, which is available at any customs border services office or border location.

Duty-free shops

Duty-free shops are retail stores operated by the private sector, where duty- and tax-free goods are sold to travellers leaving Canada, for direct export. Canada has 18 duty-free shops at airports and 36 shops at land border crossings.

Goods in duty-free shops are not for domestic consumption and must be exported when they are purchased. Some of these stores also provide a variety of services to the travelling public, such as the GST/HST Visitor Rebate Program, currency exchange, and travel insurance.

To receive a rebate of up to CAN\$500, non-resident visitors have to present their original receipts and photo identification at a participating duty-free shop when they leave Canada. In addition, they must have the goods available for duty-free shop staff to examine. If they do not have the goods with them, they have to provide proof that they exported the goods from Canada.

All participating duty-free shops at land border crossings will process the Manitoba and Quebec sales tax rebates at the same time as the GST/HST visitor tax rebate, regardless of where a non-resident visitor leaves Canada. Duty-free shops in airports do not participate in the Visitor Rebate Program.

International Project Return

The "Our Missing Children" program is a joint initiative among the RCMP's Missing Children's Registry, Revenue Canada's International Project Return, Citizenship and Immigration Canada, and Foreign Affairs and International Trade. The program helps locate abducted and missing children and return them to their proper guardians. At Revenue Canada, we have more than 3,500 customs officers on the alert for abducted children and runaways at international airports and land border crossings.

International Project Return is also part of a network of agencies from more than 40 countries. This network regularly exchanges

information to help member agencies find missing children and reunite them with their families.

People crossing international borders should remember that customs and immigration officers are on full alert for children who need protection. For this reason, children or youths travelling without proper identification or with adults who are not their legal guardians may be interviewed more thoroughly.

To help avoid delays at international borders, travellers should always carry identification for their children, no matter how old their children are. If travellers are separated or divorced, they should also carry legal documents about custody rights. In addition, if they are not the legal guardian of the child, they must carry a letter of permission from the legal guardian that authorizes them to have custody of the child when entering Canada.

For more information, clients can call **(613) 990-8585**, 24 hours a day. People with information on missing children can call toll free at 1-800-THE LOST (1-800-843-5678). We pass on all leads to the RCMP's Missing Children's Registry.

NAFTA information services for travellers

Customs procedures have not changed for the travelling public under the North American Free Trade Agreement (NAFTA). However, travellers are entitled to reduced rates of duty on qualifying U.S. and Mexican goods.

For more information, travellers can consult our Internet site (see page 17), the NAFTA-customs web site (see page 50), or the publication called *I Declare*.

Clients can also get information from the Automated Customs Information Service (ACIS) by calling the phone numbers listed on page 16, or by contacting any customs border services office listed in Appendix B.

Postal Import Control System (PICS)

At Revenue Canada, we process all incoming international mail at five customs mail centres. These centres are in Canada Post facilities in Calgary, Montréal, Toronto, Vancouver, and Winnipeg. Our customs staff process most mail items within 24 hours of receipt.

Customs officers screen all mail items to determine if they are admissible and immediately release all duty-free and non-taxable items, as well as items that are exempt under the \$20 Postal Import Remission Order or \$60 gift exemption. They return these items to Canada Post for immediate delivery.

For all commercial goods under CAN\$1,600 and all non-commercial goods regardless of their value, PICS generates Form E14, *Customs Postal Import Form*, which shows the duties and taxes owing. We then give the parcel, with Form E14 attached, to Canada Post for delivery. Canada Post collects the duties and taxes owing, plus a CAN\$5 handling fee, from the importer. Importers can pay Canada Post by cash, cheque, or credit card.

We hold commercial goods worth CAN\$1,600 or more until formal release and/or accounting documents are presented.

Primary Automated Lookout System (PALS)

Revenue Canada and Citizenship and Immigration Canada have established a lookout system for high-risk travellers, such as terrorists and drug smugglers. Under PALS, customs officers have a passport reader or licence-plate reader tied to an immigration and customs database, which gives them information on high-risk travellers.

This system, which speeds up processing and screens travellers more accurately than manual methods, is in place at major airports and land border crossings.

Travellers Entry Processing System (TEPS)

To improve service to the public, the Travellers Entry Processing System (TEPS) was put in place. TEPS is an automated entry processing and accounting system for travellers. This system makes it easier for customs officers to determine tariff classifications and complete the documents for travellers clearing customs. TEPS has reduced processing time from 10 minutes to about 2.5 minutes per traveller.

Businesses

Experienced importers and agents carry on most of Canada's commercial import business. Customs brokers must be licensed by us to act as agents. For a fee, importers can hire a customs broker to prepare and present the customs documents necessary to pay the duties and taxes owing and obtain release of imported goods.

People wanting to import goods into the country can contact their customs border services offices for information and help before importing, or refer to the publication called *Guide to Importing Commercial Goods*.

Local customs staff can call on specialists and administrators knowledgeable in customs tariff issues, valuation, origin requirements, and duties relief programs. Appendices B and C list addresses and phone numbers for customs border services and trade administration services offices.

For interpreting policy and resolving complex cases, regional and Headquarters staff members help clients in the areas listed under "Trade administration" on pages 52 to 54.

Canada – United States of America Accord On Our Shared Border

Commercial initiatives are being developed under the Accord to streamline customs clearance and reduce commercial traffic congestion. These initiatives include the Accord

Processing Centre (APC) and the North American Trade Automation Prototype (NATAP).

For information on Accord initiatives relating to travellers, see page 39.

Accord Processing Centre (APC)

Under the Accord, Canada and the U.S. are co-operating in the development of a model for preclearance processing of commercial and passenger traffic. The first step towards a fully operational APC is the Commercial Vehicle Processing Centre (CVPC).

The Buffalo-Fort Erie Public Bridge Authority is building a CVPC at the Fort Erie-Buffalo crossing to help reduce traffic congestion. Initially, the CVPC will be a staging facility and will make sure that U.S.-bound commercial traffic has complete and proper documentation before entering the U.S. Construction of the staging facility should be completed in 1999. The evolution of the CVPC in Fort Erie from a staging area to a fully operational preclearance facility will become the model for other sites with similar traffic congestion problems.

North American Trade Automation Prototype (NATAP)

Canada, the United States, and Mexico are working together to standardize customs processes and create a totally electronic environment. NATAP will establish data elements, EDI messages, and border processes common to all three countries to streamline the release of low-risk goods.

More information is available on the NATAP web page at: www.rc.gc.ca/natap/

Commercial re-engineering initiatives

At Revenue Canada, we continue to look for ways to reduce the administrative burden on businesses to help them increase their efficiency and maintain a competitive edge. We have held extensive consultations with clients, partners, stakeholders, and employees to help us develop

processes that meet the needs of the business community as well as our own. This process began with application tests with the automotive and aerospace industries.

We continue to work with the trading community to re-engineer processes that help both business and government respond to the changing trade environment. For example, procedures for reporting, release, accounting, verification, adjustment, and redress are being more closely aligned with modern day business practices for global trade.

Our commercial re-engineering initiatives include carrier re-engineering, home region, and one step/enhanced option.

Carrier re-engineering

To date, our commercial initiatives like CADEX (see page 47) and ACROSS (see page 47) have focussed mainly on the importer and broker, not the carrier.

The carrier re-engineering initiative recognizes the need to modernize the role of the carrier in the commercial process. Proposals include:

- mandatory use of electronic data interchange;
- examination at the first point of arrival for contraband, health, and safety reasons;
- mandatory criteria for contraband, health, and safety targetting;
- driver registration and electronic crew identification;
- use of client business systems; and
- updated sanctions.

Home region

This initiative will redesign program delivery so that companies can deal with customs staff in the region where their head offices are located. Client services representatives assigned to each company will manage the importers' accounts and local customs offices will continue to provide daily assistance as needed.

One step/enhanced option

The one step option will eliminate redundancies in the existing two step process. Importers often have all the information they need for customs reporting before the goods arrive, or at the time of arrival, but use a two step process to postpone payment. The one step option allows for a single transmission of release and accounting information, but we postpone the billing until the appropriate accounting period.

The enhanced option will further simplify the release process for importers by using a monthly reporting period. This option will also include extended accounting timeframes for importers to file trade data from their own business systems.

Co-operation with other Government departments

We are currently participating in joint services projects with the Canadian Food Inspection Agency (CFIA) and Environment Canada.

CFIA project

We are working closely with CFIA to improve border service for agricultural importers, and to increase compliance with federal regulations for agri-food commodities.

Under a joint services initiative, our cashiers across Canada collect inspection fees from CFIA clients at the time of importation, and forward these fees to CFIA monthly. We also provide CFIA with monthly importation reports to streamline its billing processes.

Environment Canada project

At several sites in Quebec and Ontario, we are involved with Environment Canada in a project to increase compliance with the *Convention on International Trade in Endangered Species of Wild Fauna and Flora* (CITES). To enhance service to importers and exporters, specially trained customs officers at these sites perform some of the functions of an Environment Canada wildlife inspector.

CITES-trained customs officers inspect, identify, and either release or detain routine or common products and derivatives of animals and plants CITES controls. They also verify permits, distribute validated permits, complete the Environment Canada identification form, and provide CITES awareness training to fellow officers.

Video teleconferencing – We are also enhancing our commercial services while improving CITES compliance with the video teleconferencing pilot between our inspection facility in Ottawa, and Environment Canada's office in Guelph. Using a video camera and a monitor, customs officers transmit digitized pictures of items to the receiving monitor at Environment Canada. Wildlife inspectors can immediately identify the items without leaving their office. This speeds up the examination and release process and improves client service, by eliminating the wildlife inspector's weekly trip to our inspection facility to examine and release goods.

If the pilot is effective, the video teleconferencing partnership between us and Environment Canada is expected to grow, with transmission units being established at other major sites across the country.

Courier Low-Value Shipment (LVS) Program

This program reduces the cost of doing business by simplifying procedures, and speeding up the release process. For commercial imports of less than CAN\$1,600, the LVS Program allows companies to submit one monthly consolidated accounting report instead of accounting individually for each low-value shipment.

The LVS Program helps business by:

- allowing faster release of shipments;
- extending the accounting period for low-value shipments;
- lowering accounting costs for business;

- reducing cargo handling and warehouse space for couriers; and
- reducing the documents, records, and transactions required.

Except for controlled, prohibited, or regulated goods, the program is available to both commercial importers of low-value goods who use interim accounting, and bonded commercial carriers who:

- arrange with licensed customs brokers or importers to account for goods released under the program;
- arrange with the Department to present and open shipments on request at a suitable location; and
- satisfy the Department that they maintain adequate records for audit purposes.

Customs information days

At Revenue Canada, we host free information days in cities across Canada, to give travellers, importers, and exporters (especially small- and medium-sized businesses) information on customs-related topics.

Activities at the one-day seminars include:

- information sessions and demonstrations on a variety of customs matters; and
- an exhibit area with booths representing Revenue Canada, the U.S. Customs Service, other Canadian Government departments, and related trade associations.

For more information, clients can contact the Customs and Trade Administration Branch in Ottawa at (613) 957-7256.

Customs sufferance warehouses

At Revenue Canada we are responsible for the licensing structure for private storage facilities known as customs sufferance warehouses.

Licences for sufferance warehouses are issued by the Minister of National Revenue under the authority of the *Customs Act*. The terms and conditions of licensing are governed by the *Customs Sufferance Warehouse Regulations*, developed in accordance with the appropriate section of the Act. Licence types vary depending on the mode of transportation and the type of goods. Clients can get more information about these facilities from any of the customs offices listed in Appendices B and C.

Electronic data interchange (EDI)

At Revenue Canada, we have implemented many EDI systems to streamline the customs commercial process.

Accelerated Commercial Release Operations Support System (ACROSS)

ACROSS allows importers and brokers to exchange information with customs electronically before the goods arrive at the border. This speeds up release times and reduces the workload associated with low-risk shipments, because the information can be transmitted, from anywhere in Canada, one hour to 10 days before the goods arrive at the border. ACROSS provides many benefits to commercial importers and strengthens our ability to protect both Canadian society and the economy.

By expanding the use of electronic commerce, ACROSS improves services and streamlines processes by:

- reducing paper handling costs;
- transmitting cargo (marine and rail) and release data nationally, 24 hours a day, 7 days a week;
- eliminating rekeying of data;
- facilitating the release of goods subject to Canadian Food Inspection Agency requirements;
- eliminating paper permits for Foreign Affairs and International Trade;

- managing customs workloads electronically;
- eliminating the physical presentation of release data; and
- improving compliance verification by using more sophisticated and powerful targeting tools.

Commercial Cash Entry Processing System (CCEPS)

CCEPS is a self-serve system for individuals or small businesses who import commercial goods. Clients can use CCEPS to complete their Form B3, Canada Customs Coding Form, at a computer workstation in the customs office. The system helps clients complete the accounting form through a series of prompts and then automatically calculates the duties and taxes they owe. CCEPS is currently available at 28 customs border services offices. Clients can get more information about CCEPS by calling the Special Projects Unit of the Import Process Division at (613) 954-7518.

Customs Automated Data Exchange (CADEX) System

CADEX enables importers and brokers to electronically send import data for goods already released. Participants can also access certain customs files, and receive accounting data, release notifications, file updates, and overdue release reports.

Customs Declaration (CUSDEC) Message

CUSDEC has basically the same function as CADEX. However, the CUSDEC message is an approved EDI international standard, whereas the CADEX version is proprietary.

Release Notification System (RNS)

RNS electronically notifies importers, brokers, warehouse operators, and carriers of customs releases. RNS includes the following features:

 delivery instructions – participants can attach delivery instructions to a release record before the goods arrive;

- processing acknowledgement participants can receive an automatic status message, or they can ask the system for information on the status of their shipments;
- arrivals notification participants notify us of the arrival of goods and receive a status message of released or referred; and
- automatic release notification participants automatically receive a notification when we release their goods.

Export reporting

Complete and accurate export trade data allows Canada to:

- facilitate trade;
- negotiate new international trade agreements;
- administer existing international trade agreements;
- ensure equitable access to foreign markets;
 and
- ensure compliance with existing laws.

Under the *Customs Act*, exporters must report, in writing, all goods shipped out of Canada before they are exported. An export report has three elements: Form B13A, *Export Declaration* (paper or electronic version), or a summary report; all certificates, licences, or permits required to export goods that are prohibited, controlled, or regulated by an act of Parliament or other regulations; and the cargo report (transportation documents and customs cargo control documents).

Exporters can declare their exports on a transactional basis, and can use Form B13A for this purpose. (For more information on the electronic version of Form B13A, see the following section on CAED). With customs approval, exporters can also declare their exports on a monthly basis using the summary reporting program.

Exporters have to report all goods subject to export control and all goods valued at CAN\$2,000 or more destined to countries other than the U.S. Goods subject to export controls include strategic, embargoed, and dangerous goods; endangered species; and other controlled or regulated goods.

Exporters no longer need Form B13A for goods destined for consumption in the U.S. However, before shipping controlled, regulated, or prohibited goods, regardless of the value or destination, exporters have to provide customs with the required permit, certificate, or licence. Canadian goods exported to the U.S. must meet all licence, permit, or certificate requirements as well as other criteria set out by the regulating government department.

Statistics Canada uses the information from Form B13A and the monthly summary report, as well as data obtained under a data-sharing agreement with the U.S. government, to compile Canada's export trade statistics.

More information on export reporting requirements is available from any customs border services office, (see Appendix B for telephone numbers). Clients can also reach the Export Section in Ottawa by phone at (613) 954-7160, by fax at (613) 946-0241, or by email at export@cyberus.ca

Canadian Automated Export Declaration (CAED)

CAED allows exporters or their agents to prepare and submit their export declarations electronically. By using CAED, exporters can transmit export information directly from their place of business. They will immediately receive an acknowledgement of receipt of this information.

The CAED software is windows-based and user-friendly. It is available to all exporters free of charge and there is no registration fee. Exporters who are interested in CAED should contact Statistics Canada at the following address for a registration number and instructions.

Export Statistics Liaison Unit International Trade Division Statistics Canada 9th floor, Jean Talon Building Tunney's Pasture Ottawa ON K1A 0T6

Telephone: (613) 951-6291

1-800-257-2434

Fax: (613) 951-6823

1-888-269-5305

Email: export@statcan.ca

Web page: www.statcan.ca/english/exports/

Exporters of goods subject to any government export controls will still have to use a paper-based system to report to customs at the point of exit before they export the goods.

Our Export Process Division continues to develop options to streamline the reporting process in consultation with exporters. This initiative is part of the Department's ongoing commitment to improve service to the exporting community.

Line Release System

We designed the Line Release System to help importers of commercial shipments by speeding up the clearance of shipments at border or inland customs locations. Its processes provide the importing community with quicker, more efficient service so that it can stay competitive in an ever-changing marketplace.

The Line Release System has two release procedures, FIRST and PARS, that we call service options.

Frequent Importer Release System (FIRST)

FIRST allows us to release repetitive low-risk shipments for frequent importers. Importers with a good record of complying with departmental regulations can apply for authorization to use FIRST. When the goods of an importer with FIRST privileges arrive at the border, a customs officer reviews the FIRST

documents and decides whether to release the goods, or refer them for a more detailed inspection.

Prearrival Review System (PARS)

PARS allows us to process release information before the goods arrive in Canada. This speeds up the release or referral process when the carrier arrives with the goods. Importers can use PARS if they have account security for release on minimum documentation. Even if their goods need special permits or certificates, importers can still use the PARS service option.

Importers prepare their PARS release information with the details they get from their exporter, shipper, or carrier. Importers using electronic data interchange have to send us the release data at least one hour, but not more than 10 calendar days, before the goods arrive. We have to receive paper release documents at least two hours but not more than 10 calendar days before the goods arrive. Importers should make sure that their release information includes a cargo control number or document.

We refer to PARS by different acronyms depending on how the goods are transported, and where they are to be released. At border locations where goods arrive by highway, the acronym is PARS. At locations where the goods arrive by rail, the acronym is RAILPARS. Similarly, marine freight is MARINEPARS and air freight is AIRPARS. Goods clearing at inland highway sufferance warehouses are processed under INPARS.

For more information on the Line Release System, clients should contact their nearest customs border services office listed in Appendix B.

NAFTA information services

Customs procedures have not changed for most of Canada's importing community under the North American Free Trade Agreement (NAFTA). However, for the textile, apparel, chemical, and automotive sectors, there are significant differences. NAFTA commercial

information is available through ACIS (see page 16). We also have the following customs information services available to answer questions on NAFTA customs procedures.

Electronic bulletin board

This automated system has nine categories of information:

- Anti-dumping and Countervailing Directorate;
- customs notices;
- GATT (WTO Agreement) information;
- general information;
- national customs rulings;
- new departmental memoranda;
- origin news;
- seasonal duties on fruits and vegetables
 (B memoranda); and
- tariff updates.

Clients can access the electronic bulletin board at no charge with a modem, a communications software package, and the following computer set-up:

	baud rate	2400
H	parity	N
	bit	8
	bit stop	1

They can then call the bulletin board toll free at 1-800-267-5979.

Clients will find information on the World Trade Organization Agreement Implementation Act under the menu item "GATT (WTO Agreement) information." As well as general information on the WTO agreement, the bulletin board has information on the first-come, first-served tariff rate quota levels. We update this information daily.

For more information on the bulletin board, clients can call the manager, Trade Incentives Program, Customs and Trade Administration Branch, at (613) 941-2146.

NAFTA customs web site

This web site offers NAFTA, Canadian, U.S., and Mexican customs information in English, French, and Spanish. Clients can access the site at: www.nafta-customs.org

Publications

Many of our publications, including NAFTA publications are on our Internet site at: www.rc.gc.ca or on the NAFTA customs web site at: www.nafta-customs.org

Seminars and conferences

At Revenue Canada, we provide speakers and experts to answer questions about NAFTA and other trade agreements, and how they affect members of national associations, or other interested parties such as U.S. or Mexican exporters, Canadian importers, or customs brokers. Clients can call Trade Obligations at (613) 952-3483 or (613) 952-6837 to arrange for speakers.

Trade agreements enquiry line

Clients can call 1-800-661-6121 or (613) 941-0965 between 8:00 a.m. and 5:00 p.m. Eastern Time, Monday through Friday, for answers to questions on NAFTA and other trade agreements (e.g., Canada-Chile Trade Agreement, Canada-Israel Trade Agreement). After 5:00 p.m., clients can leave messages, and their calls will be returned the next working day. They can also fax their questions to (613) 952-0022.

Our trade agreement publications and customs notices are available by calling or faxing the trade agreements enquiry line or through the NAFTA customs web site.

The United States and Mexico have set up their own enquiry lines. For U.S. customs information (service available in English only), call (972) 574-4061 or 1-800-829-1906 (from Canada only). For Mexican customs information, call 52-5-211-3545 (service available in Spanish only). For service in Spanish and English, call (972) 574-4061 or 1-800-829-1906 (from Canada only).

Workshops for business

We help associations and businesses develop training packages for various sectors to help businesses most affected by NAFTA and other trade agreements understand the rules. Clients can call Trade Obligations at (613) 952-3483 or (613) 952-6837 for more information.

National Customs Rulings Program

A national customs ruling (NCR) is a written statement we give importers or their agents. The ruling states how we will apply specific provisions of existing customs legislation to an importation. NCRs apply to the following departmental programs: tariff classification, origin, and value for duty. For reference, we have published the policy portion of a number of these NCRs in Memorandum D11-11-2, *Policy Content of Tariff Classification National Customs Rulings (NCRs)*.

The NCR program gives businesses certainty by providing them with rulings on their customs liabilities that will be honoured nationally. We offer this service within 30 days for regular cases and 120 days for complex cases or cases needing a verification audit. Rulings are binding on both us and the importer. Importers have to provide all relevant information.

Importers or their agents have to submit a request for an NCR in writing to the Chief, Rulings and Appeals, Trade Administration Services, at their nearest trade administration services office (see Appendix C for addresses). These offices also have more information about the program.

Periodic verification

Periodic verification is one method we use to ensure compliance with customs requirements. This verification method is designed for our medium and large, more frequent importers. It shifts the verification focus from an individual shipment basis to a review of an importer's transactions for a specific period of time.

We collect and confirm the information we need to verify compliance at our offices or through on-site visits. Supported by a strong client assistance program, this verification process:

- reduces the number of requests we receive for information on individual transactions;
- facilitates access to customs information;
- establishes a positive relationship with clients; and
- allows us to respond quickly to client questions and concerns.

While verification of individual shipments is always available to meet specific needs, we are increasing our use of the period verification method. More information on periodic verification is available from any of the trade administration services offices listed in Appendix C.

Release of goods before paying duties and taxes

We allow importers who post security with us to have their commercial goods released before they pay duties and taxes. These importers pay their duties and taxes through a monthly payment program.

Importers who have posted security can request release of their goods on minimum documentation. The Release on Minimum Documentation (RMD) Program speeds up clearance through customs, by reducing the amount of information importers have to provide to us at the time of release.

Small business information seminars

We offer free seminars to inform new or prospective businesses about their rights and obligations under the customs, excise, GST/HST, and income tax legislation; and about services available to help them. Details on these seminars can be found on page 36.

Trade administration

Duties relief programs

At Revenue Canada, we have a variety of programs that allow us to waive (relief), postpone (deferral), or refund (drawback), some or all of the duties and taxes that importers must pay. The following summary highlights some of the programs available.

Canadian Goods Abroad Program – This program allows for partial or full relief from paying customs duties and taxes on goods exported for repairs, additions, or work done abroad and later returned to Canada, as long as specific conditions are met.

Duty Deferral Program – This program includes the bonded warehouses, duties relief, and duty drawback programs.

Bonded warehouses

Bonded warehouses are facilities licensed to store both imported goods before release from customs, and goods destined for export.

While in the warehouse, we defer the total customs duties, excise duties and taxes, GST/HST, provincial sales tax, surtax, and countervailing duties. Clients can place goods in the warehouse for up to 4 years for basic goods, and up to 15 years for specified goods. Clients may be able to extend these periods when extenuating circumstances prevent clearing the goods within established time periods.

While in bond, goods can be maintained and serviced to comply with any applicable federal or provincial laws, or arranged to separate defective goods from prime-quality goods.

In addition, clients can relabel, repackage, store, inspect, display, test, destroy, or export goods in bond. However, this program does not allow full manufacturing in bond.

Duties relief

This program allows qualified companies relief from paying duties on imported goods as long as the companies eventually export the goods either in the same condition, or after being manufactured or used in a limited manner.

In most cases, imported goods intended for export from Canada may qualify for relief of customs duties, anti-dumping and countervailing duties, or excise duties and taxes other than GST/HST. Although we do not provide relief of GST/HST under the Duties Relief Program, relief is available through the Exporter of Processing Services (EOPS) program. For more information on EOPS, clients can contact their nearest trade administration services offices, listed in Appendix C.

Goods imported under the Duties Relief Program must be exported from Canada no later than four years after the date we release them. Imported spirits used to manufacture distilled spirits must be exported within five years.

Imported goods, other than fuel or plant equipment consumed or expended to directly manufacture goods intended for export, are also eligible for relief of duties.

Imported and domestic goods of the same class, used interchangeably to manufacture products, some of which are exported, are also eligible for relief. We refer to this as equivalence. There must be enough imported goods to produce the exported goods. The imported goods also have to be used before the domestic goods in the plant that produces the exported goods. The finished product (using the imported goods), must be exported within two years of the date the imported goods were

released. Equivalence can only apply to goods that are further manufactured, including consumable and expendable goods.

Under this program, we can waive the duties on scrap or waste resulting from processing when the processed goods are exported. If the scrap or waste is dutiable if imported, and has a marketable value, it is not entitled to relief unless it is exported.

■ Duty drawback

This program helps Canadian companies become more competitive in export and domestic markets. Under the program, we can refund duties on imported goods when the goods are exported in the same condition, or are further manufactured or used in a limited manner to produce goods for export.

This program has the same advantages and options as the Duties Relief Program. The only difference is that this program is for people who have already paid the duty and are asking for a refund.

Machinery Program – This program has been eliminated for all goods imported on or after January 1, 1998, as a result of tariff simplification. (See page 54 for more information on tariff simplification.) Goods imported before that date may still be eligible for relief if they meet the conditions established for the program. Machinery and equipment that was considered "not available from Canadian production" as of December 31, 1997, is now provided for under duty-free tariff items.

The Department of Finance has agreed to a three year transition period under which "availability from production in Canada" will be one of the criteria for recommending rate reductions under the *Customs Tariff*.

This transition period will apply to approximately 260 machinery tariff items that are subject to customs duties. Only goods

imported to produce other goods or to provide a service will be considered under this provision.

Remission – We offer several remission programs to Canadian manufacturers and importers that provide relief from paying customs duties at the time of import, when the goods meet certain legislative conditions.

Temporary importations – The *Customs Tariff* provides for the duty-free temporary entry of goods, as long as they are imported in a reasonable quantity, and are not imported for sale, lease, or further manufacturing or processing. In addition, certain goods may be non-taxable under the *Non-Taxable Imported Goods (GST) Regulations*. For more information, clients can contact their nearest trade administration services office, listed in Appendix C.

Origin determination

Origin experts provide advice on origin determination and tariffs, including advice on which goods qualify for reduced or free duty rates under NAFTA. For more information, clients can contact their nearest trade administration services offices. Addresses and telephone numbers can be found in Appendix C.

Protection against unfair foreign competition

The Special Import Measures Act (SIMA) protects Canadian producers and manufacturers against unfair foreign competition from imports of low-priced dumped or subsidized goods.

Dumped goods are sold to importers in Canada at prices less than their selling price in the exporter's domestic market, or at prices less than their full cost. Subsidized goods get financial or commercial benefits from a foreign government that lower the price of goods exported to Canada. If these imported goods cause, or threaten to cause, injury to Canadian producers of similar goods, we can impose

anti-dumping or countervailing duties on the import of these goods. To find out more about SIMA, or to get help with filing a complaint, call the Director, Industrial Products at (613) 954-7390, the Director, Consumer Products at (613) 954-7369, or visit our web page at: www.rc.gc.ca/sima/

Tariff classification

Tariff experts provide advice on tariff classification and interpretation of the *Customs Tariff* (legislation describing goods and giving the rates of duty that apply to them). For more information, clients can contact their nearest trade administration services offices. (See Appendix C for addresses and telephone numbers.)

Tariff simplification initiative

The new simplified *Customs Tariff* was implemented on January 1, 1998. The main objectives of the initiative were to:

- make Canada's tariff regime more responsive to the competitive pressures facing Canadian industry; and
- reduce the regulatory burden and associated costs to both the Government and the business community by making the tariff system simpler, more transparent, and more predictable.

Improvements to the *Customs Tariff* that benefit Canadian businesses and consumers include:

- one consolidated schedule;
- reduced customs duties on many manufacturing inputs;
- elimination of "not made in Canada" restrictions for many tariff provisions;
- streamlining of the Machinery Program;
- elimination of obsolete tariff codes;

- consolidation of tariff items;
- harmonization of duty rates where possible;
- reduction of the total number of tariff provisions from 11,000 to about 8,100; and
- elimination of over 300 tariff regulations.

To complement the simplified *Customs Tariff*, significant changes were also made to the *Customs Act*. These changes incorporate some of the key concepts of the commercial re-engineering initiative, and simplify the administration of the *Customs Tariff*. Importers can now make adjustments and corrections to entry declarations and get refunds without having to file a formal appeal. Whenever possible, the time limit for making adjustment declarations has been standardized at four years, and the appeal process has been streamlined to a one step process.

Simplifying the *Customs Tariff* to reduce its complexity, eliminate duplication, and remove obsolete provisions, and revising the *Customs Act* to streamline and standardize processing rules, will help Canadian businesses to compete more effectively in today's environment.

Valuation

Valuation experts provide advice on the "value for duty" of goods, which is the base on which we assess import duties and taxes.

Departmental publications also help the importing community determine import values. For more information, clients can contact their nearest trade administration services offices.

Other trade agreements

Clients with questions about trade agreements can call **1-800-661-6121** or **(613) 941-0965** between 8:00 a.m. and 5:00 p.m. Eastern Time, Monday through Friday. After 5:00 p.m. clients can leave messages, and their calls will be returned the next working day. They can also fax their questions to **(613) 952-0022**.

Virtual Customs Office (VCO)

The VCO is an Internet application designed to provide an electronic customs office 7 days a week, 24 hours a day. The VCO allows small business importers/exporters easy access to customs information from their own place of business. We will continue to expand the VCO as more information and services become available.

Information currently available on the VCO includes:

- import/export procedures;
- an on-line Customs Tariff with tariff treatments and duty rates;
- a tariff wizard to help importers/exporters determine tariff classifications;
- exchange rates and currency conversions for 20 countries;

- selected D memoranda;
- the Customs Act;
- customs notices;
- news releases:
- Form B2, Canada Customs Adjustment Request; and
- Form B232E, North American Free Trade Agreement Certificate of Origin.

The VCO also has links to:

- Canadian Automated Export Declaration (see page 48 for more details);
- other government sites;
- other customs administrations; and
- transportation and freight forwarder sites.

Visit the VCO at: www.rc.gc.ca/vco/

Appendix A – Tax services offices and tax centres

ED - identifies offices that have excise duty units

TISC - identifies offices that have GST/HST technical interpretation services centres

(Details on the services provided by these units can be found under "Tax services offices" on page 10.)

Business window services (see details on page 31) are offered at 51 locations across Canada. Telephone and fax numbers are included in this appendix.

A complete listing of tax services offices is also available on the Internet at: www.rc.gc.ca

Newfoundland

Business window Clarenville 221-225 Memorial Drive Tel.: 1-800-959-5525

P.O. Box 2700

Clarenville NF A0E 1J0

General Enquiries: 1-800-959-8281

Business window Corner Brook 1 Regent Square Tel.: 1-800-959-5525 Corner Brook NF A2H 7K6

1-800-959-8281 General Enquiries:

Business window 28C Cromer Avenue **Grand Falls**

Grand Falls-Windsor NF A2A 1X2

1-800-959-8281 General Enquiries:

St. John's Tax Centre St. John's

290 Empire Avenue St. John's NF A1B 3Z1 (counter service only)

165 Duckworth Street P.O. Box 12075

St. John's NF A1B 4R5

(709) 772-2610 General Enquiries:

1-800-959-8281

Prince Edward Island

Business window Charlottetown 94 Euston Street

P.O. Box 8500

Charlottetown PE C1A 8L3

General Enquiries: (902) 628-4200

1-800-959-8281

Summerside Tax Centre Summerside

275 Pope Road

Summerside PE C1N 5Z7

1-800-668-4748 (Canada only) Visitor Rebates:

(902) 432-5608 (outside Canada)

Tel.: 1-800-959-5525

Business window

Fax:

Fax:

Fax:

Tel.: (709) 772-2639

Tel.: (902) 628-4227

Tel.: (902) 426-5300

1-800-959-5525

(902) 426-7170

1-800-959-5525

(709) 754-5928

1-800-959-5525

(902) 566-7197

Nova Scotia

Business window Halifax 1256 Barrington Street (ED) (TISC)

P.O. Box 638

Halifax NS B3J 2T5

General Enquiries: (902) 426-2210

1-800-959-8281

Sydney 47 Dorchester Street **Business** window P.O. Box 1300 Tel.: (902) 564-7099 Sydney NS B1P 6K3 1-800-959-5525 General Enquiries: (902) 564-7080 Fax: (902) 564-3095 1-800-959-8281 **New Brunswick** Bathurst 201 St. George Street **Business** window P.O. Box 8888 Tel.: (506) 548-6744 Bathurst NB E2A 4L8 1-800-959-5525 General Enquiries: 1-800-959-8281 Fax: (506) 548-9905 Fredericton 506-440 King Street **Business** window Fredericton NB E3B 5H8 Tel.: 1-800-959-5525 General Enquiries: 1-800-959-8281 Fax: (506) 451-6035 Moncton 107-1600 Main Street **Business** window P.O. Box 1070 Tel.: (506) 851-3727 Moncton NB E1C 8P2 1-800-959-5525 General Enquiries: (506) 636-5999 Fax: (506) 851-7018 1-800-959-8281 Saint John 126 Prince William Street **Business** window P.O. Box 6300 Tel.: (506) 636-4909 Saint John NB E2L 4H9 1-800-959-5525 General Enquiries: (506) 636-5999 Fax: \((506)\) 636-5718 1-800-959-8281 Quebec Chicoutimi 123-100 Lafontaine Street **Business** window Chicoutimi QC G7H 6X2 Tel.: (418) 698-5780 General Enquiries: (418) 698-5580 1-800-959-5525 1-800-959-8281 Fax: (418) 698-6387 Hull 16th floor **Business** window 15 Eddy Street Tel.: (819) 994-4045 Hull QC K1A 1L4 1-800-959-5525 General Enquiries: (819) 994-1995 Fax: (819) 994-1103 1-800-959-8281 Jonquière Jonquière Tax Centre 2251 René-Lévesque Blvd. Jonquière QC G7S 5J1 General Enquiries: 1-800-959-8281 Laval 3131 St-Martin Blvd. West **Business** window Laval QC H7T 2A7 (514) 956-9120 General Enquiries: (514) 283-5300 1-800-959-5525

1-800-959-8281

1000 de Sérigny Street

Longueuil QC J4K 5J7

General Enquiries:

Longueuil

Fax: (514) 956-7071

305 René-Lévesque Blvd. West (ED) Montréal

Montréal QC H2Z 1A6

General Enquiries:

(514) 283-5300 1-800-959-8281

Business window Tel.: (514) 283-5585 1-800-959-5525

(514) 496-8143 Fax:

(418) 648-5809

165 de la Pointe-aux-Lièvres Street South (ED) Ouébec

Ouébec OC G1K 7L3

General Enquiries:

(418) 648-3180 1-800-959-8281

1-800-959-5525 Fax: (418) 648-4251

Business window

Tel.:

Rimouski 4th floor

> 320 St-Germain Street East Rimouski QC G5L 1C2

1-800-959-8281 General Enquiries:

44 du Lac Avenue Rouyn-Noranda

Rouyn-Noranda QC J9X 6Z9

(819) 764-5171 General Enquiries:

1-800-959-8281

Shawinigan-Sud Tax Centre Shawinigan-Sud

4695-12th Avenue

Shawinigan-Sud QC G9N 7S6

1-800-959-8281 General Enquiries:

50 Place de la Cité Sherbrooke

P.O. Box 1300

Sherbrooke QC J1H 5L8

(819) 564-5888 General Enquiries:

1-800-959-8281

111-25 des Forges Street Trois-Rivières

Trois-Rivières QC G9A 2G4

(819) 373-2723 General Enquiries:

1-800-959-8281

Ontario

99 Ferris Lane Barrie

Barrie ON L4M 2Y2

1-800-959-8281 General Enquiries:

11 Station Street Belleville

Belleville ON K8N 2S3

(613) 969-3706 General Enquiries:

1-800-959-8281

Main Floor Brampton

199 Country Court Blvd.

Brampton ON L6W 4P3

(905) 874-3265 General Enquiries: 1-800-959-8281 **Business** window

(819) 764-3474

1-800-959-5525

(819) 797-8366 Fax:

Business window

(819) 821-4008 1-800-959-5525

(819) 821-8582 Fax:

Business window

Tel.: (819) 373-8783 1-800-959-5525

(819) 371-2744 Fax:

Business window

Tel.: (705) 739-6066 1-800-959-5525

(705) 739-6933 Fax:

Business window

Tel.: (613) 962-2563

1-800-959-5525

Fax: (613) 969-7845 Hamilton

150 Main Street West

P.O. Box 2220, Station LCD 1 Hamilton ON L8N 3E1

General Enquiries: (905) 570-7266

1-800-959-8281

3rd floor

120 King Street West P.O. Box 2220, Station LCD 1

Hamilton ON L8N 3E1

Kingston 385 Princess Street

Kingston ON K7L 1C1

General Enquiries:

(613) 545-8371

1-800-959-8281

Kitchener/ Waterloo

166 Frederick Street Kitchener ON N2G 4N1

General Enquiries:

(519) 579-2230

1-800-959-8281

London

451 Talbot Street P.O. Box 5548

London ON N6A 4R3

General Enquiries:

(519) 645-4211

1-800-959-8281

Mississauga

77 City Centre Drive (ED)

P.O. Box 6000

Mississauga ON L5A 4E9

General Enquiries:

(416) 954-3500

1-800-959-8281

North Bay

180 Shirreff Avenue

P.O. Bag 4300

North Bay ON P1B 9B4

General Enquiries:

1-800-959-8281

North York

1000-5001 Yonge Street North York ON M2N 6R9

General Enquiries:

(416) 954-3500

1-800-959-8281

Oshawa

78 Richmond Street West Oshawa ON L1G 1E1 (counter service only) Fax: (905) 725-3780

Ottawa

Ottawa Tax Centre Room 9088B 875 Heron Road

Ottawa ON K1A 1A2

General Enquiries:

(613) 941-3333

1-800-959-8281

Fax:

(613) 739-1147

Business window

Tel.: (905) 570-7260

1-800-959-5525

Fax: (905) 572-2338

Business window

Tel.: (905) 570-7260

1-800-959-5525

Fax: (905) 572-2338

Business window

Tel.: (613) 547-7590

1-800-959-5525

Fax: (613) 545-3272

Business window

Tel.: (519) 579-0490

1-800-959-5525

Fax: (519) 579-4532

Business window

Tel.: (519) 645-4223

1-800-959-5525

Fax: (519) 645-5026

Business window

Tel.: (905) 566-6702

1-800-959-5525

Fax: (905) 615-2453

Business window

Tel.: (416) 221-5695

1-800-959-5525

Fax: (416) 218-4820 333 Laurier Avenue Ottawa ON K1A 0L9

General Enquiries:

(613) 598-2275

1-800-959-8281

Business window Tel.: (613) 957-8109

Fax:

1-800-959-5525 (613) 957-8130

1730 St. Laurent Blvd.

P.O. Box 8257

Ottawa ON K1G 5L1

(specialty taxes and excise duty services only)

General Enquiries:

(613) 998-9305 (613) 991-1818

Fax:

International Tax Services Office

2204 Walkley Road Ottawa ON K1A 1A8

General Enquiries:

(613) 952-3741 (outside Canada and U.S., call collect)

1-800-267-5177 (Canada and U.S.)

5th floor Peterborough

185 King Street West Peterborough ON K9J 8M3

(705) 876-6412 General Enquiries:

1-800-959-8281

St. Catharines

Sault Ste. Marie

32 Church Street P.O. Box 3038

St. Catharines ON L2R 3B9

(905) 688-4000 General Enquiries:

1-800-959-8281

2nd floor

22 Bay Street

Sault Ste. Marie ON P6A 5S2

1-800-959-8281 General Enquiries:

Scarborough

200 Town Centre Court Scarborough ON M1P 4Y3

(416) 954-3500 General Enquiries:

1-800-959-8281

Sudbury

1050 Notre Dame Avenue Sudbury ON P3A 5C1

(705) 671-0581 General Enquiries:

1-800-959-8281

Thunder Bay

130 South Syndicate Avenue Thunder Bay ON P7E 1C7

(807) 623-3443 General Enquiries: 1-800-959-8281

Toronto

1 Front Street West (TISC) Toronto ON M5J 2X6

(416) 954-3500 General Enquiries:

1-800-959-8281

Fax:

(416) 952-5725

Business window

Tel.: (705) 876-7319 1-800-959-5525

(705) 876-6422

Business window

Tel.: (905) 688-3523 1-800-959-5525

(905) 688-5996

Business window

Tel.: (416) 954-0212 1-800-959-5525

Fax: (416) 954-9416

Business window Tel.: (705) 671-0541

1-800-959-5525

Fax: (705) 671-0405

Business window

Tel.: (807) 623-3039 1-800-959-5525

(807) 622-8512 Fax:

Business window

Tel.: (416) 954-3400

1-800-959-5525 Fax: (416) 954-5294

Windsor

185 Ouellette Avenue

P.O. Box 1655

Windsor ON N9A 7G7

General Enquiries:

(519) 258-8302

1-800-959-8281

Business window

Tel.: (519) 252-5829

1-800-959-5525

Fax: (519) 971-2011

Manitoba

Brandon

2nd floor

153-11th Street

Brandon MB R7A 7K6

General Enquiries:

1-800-959-8281

Business window Tel.: (204) 726-7669 1-800-959-5525

Fax: (204) 726-7868

Winnipeg

Winnipeg Tax Centre

66 Stapon Road Winnipeg MB R3C 3M2

General Enquiries:

(204) 984-2732

Business window Tel.: (204) 983-3918

325 Broadway Avenue (TISC)

Winnipeg MB R3C 4T4 General Enquiries:

(204) 983-6350 1-800-959-8281

1-800-959-5525 (204) 984-7002 Fax:

Fax:

(204) 984-6752

Saskatchewan

Regina

1955 Smith Street

Regina SK S4P 2N9

General Enquiries:

(306) 780-6015

1-800-959-8281

Saskatoon

340-3rd Avenue North (TISC)

Saskatoon SK S7K 0A8

Business window

Tel.: (306) 780-7279 1-800-959-5525

(306) 757-1412

Fax:

Business window

General Enquiries: (306) 975-4595

1-800-959-8281

Tel.: (306) 975-5692 1-800-959-5525

(306) 652-3211

Alberta

Calgary

220-4th Avenue S.E. (ED) (TISC)

Calgary AB T2G 0L1

General Enquiries:

(403) 223-5133

1-800-959-8281

Business window

Tel.: (403) 233-5131

1-800-959-5525

Fax: (403) 691-6676

Tel.: (403) 495-3200

Business window

Edmonton

Lethbridge

Suite 10

9700 Jasper Avenue (TISC)

Edmonton AB T5J 4C8

General Enquiries:

(403) 495-5400

Fax:

1-800-959-5525 (403) 495-4381

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300-704 4th Avenue South

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Lethbridge AB T1J 4A9

General Enquiries:

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Business window Tel.: (403) 495-3200

1-800-959-5525

Fax: (403) 382-3052

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Red Deer AB T4N 6X2

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(403) 341-7053

British Columbia

118-1835 Gordon Drive Kelowna

Kelowna BC V1Y 3H5

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Business window

Tel.: (250) 470-6600 1-800-959-5525

Fax: (250) 862-4744 **Business** window

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Business window

Business window

Business window

Tel.: (250) 363-0500

Tel.: (604) 669-2990

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1-800-959-5525

(604) 587-2010

1-800-959-5525

(604) 691-4446

1-800-959-5525

(250) 363-8188

Tel.: (250) 561-7800

(250) 492-9285

1-800-959-5525

(250) 492-9518

Penticton

277 Winnipeg Street Penticton BC V2A 1N6

General Enquiries: (250) 492-9200

1-800-959-8281

280 Victoria Street Prince George

P.O. Bag 7500

Prince George BC V2L 5N8

(250) 561-7800 General Enquiries:

1-800-959-8281

1-800-959-5525 (250) 561-7869 Fax:

Fax:

Fax:

Tel.:

Fax:

Surrey

Surrey Tax Centre

9755 King George Highway

Surrey BC V3T 5E1 (counter service only)

9737 King George Highway (ED)

Surrey BC V3T 5W6

(604) 689-5411 General Enquiries:

1-800-959-8281

(604) 587-2100 **Excise Duty:**

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Vancouver BC V6E 3H8

(604) 689-5411 General Enquiries:

1-800-959-8281

1415 Vancouver Street Victoria Victoria BC V8V 3W4

General Enquiries: (250) 363-0121

1-800-959-8281

Northwest Territories

Yellowknife Suite 902

4920-52nd Street

Yellowknife NT X1A 3T1

General Enquiries:

(403) 920-6650 1-800-959-8281

Yukon Territory

120-300 Main Street Whitehorse

Whitehorse YK Y1A 2B5

(867) 667-8154 General Enquiries:

1-800-959-8281

Appendix B - Customs border services offices

Although this is a listing of main offices, Revenue Canada also has many local offices. You can find their addresses and telephone numbers listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Newfoundland

St. John's 6th floor 165 Duckworth Street St. John's NF A1C 5V3 General Enquiries: (709) 772-5544

Nova Scotia

Halifax 2nd floor 1557 Hollis Street Halifax NS B3J 2R7 General Enquiries: (902) 426-2911

Prince Edward Island

Charlottetown 94 Euston Street Charlottetown PEI C1A 8L3 General Enquiries: (902) 628-4287

New Brunswick

Edmundston
Room 107
66 St. Francis Street
Edmundston NB E3V 1E6
General Enquiries: (506) 739-1820

Saint John

126 Prince William Street Saint John NB E2L 4H9 General Enquiries: (506) 636-4501

Woodstock

Houlton/Woodstock Border Crossing RR 3 Woodstock NB E0J 2B0 General Enquiries: (506) 325-3160

Quebec

Dorval
Dorval International Airport
Room 445
975 Roméo Vachon Blvd. North
Dorval QC H4Y 1H1
General Enquiries: (514) 283-9900

Montréal

Room 101 400 Place d'Youville Montréal QC H2Y 2C2 General Enquiries: (514) 283-9900

Ouébec

130 Dalhousie Street P.O. Box 2267 Québec QC G1K 7P6 General Enquiries: (418) 648-4445

Saint-Bernard-de-Lacolle

Highway 15 South Saint-Bernard-de-Lacolle QC J0J 1J0 General Enquiries: (514) 283-9900

Sherbrooke

50 Place de la Cité Sherbrooke QC J1H 5L8' General Enquiries: (819) 573-2070

Ontario

Brampton
Main Floor
199 Country Court Blvd.
Brampton ON L6W 4P3
General Enquiries: (905) 454-0023

Fort Erie

Peace Bridge Plaza 60 Walnut Street Fort Erie ON L1A 5N7 General Enquiries: (905) 994-6330 (905) 994-6331

Fort Frances

2nd floor 301 Scott Street Fort Frances ON P9A 1H1 General Enquiries: (807) 274-3655

Hamilton

400 Grays Road North Hamilton ON L8E 3J6 General Enquiries: (905) 308-8715 Kingston

2nd floor

294 King Street East Kingston ON K7L 3B2

General Enquiries: (613) 545-8049

Ottawa

1st floor

2265 St. Laurent Blvd. Ottawa ON K1G 4K3

General Enquiries: (613) 993-0534

Sarnia

P.O. Box 640

Sarnia ON N7T 7J7

General Enquiries: (519) 257-6400

Sault Ste. Marie

2nd floor

22 Bay Street

Sault Ste. Marie ON P6A 5S2

General Enquiries: (705) 941-3063

Thunder Bay

1st floor

201 North May Street

Thunder Bay ON P7C 3P4

General Enquiries: (807) 626-1603

Toronto/Mississauga

Pearson International Airport

Cargo Building B

P.O. Box 40

Toronto AMF ON L5P 1A2

General Enquiries: (905) 612-7937

Windsor

P.O. Box 1655

Windsor ON N9A 7G7

General Enquiries: (519) 257-6400

Manitoba

Emerson

General Delivery

Emerson MB R0A 0L0

General Enquiries: (204) 373-2352

Winnipeg

145 McDermot Avenue

Winnipeg MB R3B 0R9

General Enquiries: (204) 983-6395

Saskatchewan

North Portal

General Delivery

North Portal SK S0C 1W0

General Enquiries: (306) 927-5511

Alberta

Calgary

Bay 32

3033-34th Avenue North East

Calgary AB T1Y 6X2

General Enquiries: (403) 292-8750

Coutts

P.O. Box 220

Coutts AB T0K 0N0

General Enquiries: (403) 292-8750

British Columbia

Osoyoos

RR 1

Osoyoos BC V0H 1V0

General Enquiries: (250) 495-6531

Richmond

Vancouver International Airport

International Terminal Building

Room C2375.3A, Level 2

3211 Grant McConachie Way

Richmond BC V7B 1K6

General Enquiries: (604) 666-1802

Vancouver International Airport

Air Cargo

113-5000 Miller Road

Richmond BC V7B 1K6

General Enquiries: (604) 666-1803

Surrey

28-176th Street

Surrey BC V4P 1M7

General Enquiries: (604) 538-3600

Vancouver

Main floor, 333 Dunsmuir Street

Vancouver BC V6B 5R4

General Enquiries: (604) 666-0545

Victoria

107-816 Government Street

Victoria BC V8W 1X1

General Enquiries: (250) 363-3531

Appendix C - Trade administration services offices

Although this is a listing of main offices, Revenue Canada also has many local offices. You can find their addresses and telephone numbers listed under "Revenue Canada" in the Government of Canada section of the telephone book.

Nova Scotia

Halifax 9th floor

1557 Hollis Street

P.O. Box 3080

Station Parklane Centre

Halifax NS B3J 3G6

General Enquiries: (902) 426-4117

Quebec

Montréal

400 Place d'Youville

Montréal QC H2Y 2C2 General Enquiries: (514) 283-9900

Québec

130 Dalhousie Street

P.O. Box 2267

Québec OC G1K 7P6

General Enquiries: (418) 648-4445

Ontario

Hamilton

400 Grays Road North

Hamilton ON L8E 3J6

General Enquiries: (905) 308-8715

London

10th floor

451 Talbot Street

P.O. Box 5940, Station A

London ON N6A 4T9

General Enquiries: (519) 645-5843

Ottawa

11th floor

333 Laurier Avenue West

Ottawa ON K1A 0L9

General Enquiries: (613) 991-0537

Toronto

2nd floor, East Wing

36 Adelaide Street East

Toronto ON M5W 1J7

General Enquiries: (416) 973-6413

Windsor

185 Ouellette Avenue

P.O. Box 1655

Windsor ON N9A 7G7

General Enquiries: (519) 257-6400

Manitoba

Winnipeg

269 Main Street

Winnipeg MB R3C 1B3

General Enquiries: (204) 984-6986

Alberta

Calgary

Suite 300

220-4th Avenue South East

Calgary AB T2G 0L1

General Enquiries: (403) 292-8750

British Columbia

Vancouver

Suite 503

333 Dunsmuir Street

Vancouver BC V6B 5R4

General Enquiries: (604) 666-0545

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_	Institutions	Gifts and Income Tax
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	Quick Method of Accounting for GST/HST	Newcomers to Canada
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